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"PLANNING FOR OIL : THE IMPACT OF NORTH SEA OIL DEVELOPMENTS ON THE
PLANNING PROCESS IN NORTH EAST SCOTLAND."

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Submitted for Degree of Master of Philosophy,
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As a rejoinder, all thoughts expressed are my own or are interpretations of those opinions expressed to me, and not necessarily so held by individuals.

ABBREVIATIONS.

D.O.E. : Department of the Environment
D.T.I. : Department of Trade and Industry
I.M.E.G. : International Management & Engineering Group of Britain Ltd.
N.E.S.D.A. : North East Scotland Development Authority
N.E.S.J.P.A.C. : North East Scotland Joint Planning Advisory Committee
S.C.N.S.O. : Standing Conference on North Sea Oil
S.D.D. : Scottish Development Department

North-East Scotland, after a period of relative quiescence, is undergoing a process of rapid change. The Region, as with similarly affected areas in Britain and N. Europe, is being faced with totally new demands from a previously unknown industry in U.K. terms: North Sea oil. Overall the situation up to the end of the 1960's was a relatively static one: the region's economy, while being relatively buoyant in comparison to other regions of Scotland, has been traditionally based on the land and sea (agriculture, fishing, food processing, distilling etc.), limited growth and development being concentrated principally in the coastal periphery; conversely the rural hinterland has long suffered from excessive rural depopulation through agricultural rationalisation and the associated syndrome of declining rural centres and service provision. In fact the region was suffering some of the highest levels of rural outmigration in Scotland, although recent Census figures suggest a slight easing in this process with the larger urban industrial areas e.g. Aberdeen and Elgin, serving as holding points. Events over the last 2-3 years have served to maintain the balance and orientation of activity towards the coast, growth being particularly concentrated along the eastern seaboard. Conditions are no longer static though, and it is the developments associated with growth and expansion of oil and related activity and investment in all fields e.g. industry, housing, services, infrastructure etc. in particular localised areas, which has created innumerable problems for local authorities involved. The problems may not necessarily be directly derived from the "oil boom", though the latter has accentuated or accelerated certain situations which had some degree of inevitability, though clearly not on the scale now foreseen.

It is the speed of events though which has marked activity associated with oil developments: as late as 1969, the Gaskin Report on N.E. Scotland, made no mention of the potential of the North Sea in spite of the reality of gas finds in the South; hence this new 'input' has required and initiated change in the planning process, policy and attitudinal elements. A brief history of events in the North Sea may serve to place developments in perspective particularly the time scale involved. Although gas finds in the southern part of the North Sea Basin in the early-mid-1960's confirmed the existence of a new exploitable energy source off the Continental Shelf, it was not until the discovery of oil in commercial quantities in Norwegian waters by

Phillips (Ekofisk) in 1969 and by B.P. (Forties Field) in British waters in 1970, with the subsequent intensification and expansion of exploratory drilling activity, the major commercial finds now totalling 5, that the full realisation of the potential began to be conceived of. Only now is the full magnitude of the oilfields (at least off the E. coast of Scotland) being stated publicly in terms of potential production figures and while certain more positive predictions as to the likely impact on the landward side are possible, uncertainties still exist.

Changes have already been felt directly and indirectly on neighbouring landward areas of the eastern coast of the U.K., as in other countries in W. Europe (e.g. Norway). The impacts themselves will be variable in scale in physical, economic and social terms, as well as over the time and spatial scales, and cannot really be considered in isolation of each other since they relate to this new energy source. One of the areas to be most directly affected in these initial stages of exploration has been N.E. Scotland, thus validating the need to concentrate on this Region. Aberdeen, for example, is being heralded in promotional circles, as the "Offshore Capital of Europe", the "Houston of Europe" (NESDA) etc. Whether the scale of developments at present is as great as is proclaimed is questionable, but developments, both large and small, are proceeding at a significant rate, and it is the local planning authorities who frequently are the intermediary agencies in the process. It is of special interest therefore, even in the early stages of developments, given the 20-30 year time scale over which activity will be spread to monitor and pinpoint changes that have occurred, in particular the effect on the planning process itself, as operated by the various authorities and development agencies.

The North-East, though not unique in its relation to oil and the North Sea, the spread of exploration activity and shore-based developments in the Moray Firth and Shetlands being witness to this, has developed certain specialised functions and activities which have made specific requirements and impacts on the area. In terms of world oil exploration industry though, there are no real precedents similar to the North Sea situation: in technological and situational terms (vis à vis the nearby populous markets of W. Europe); neither is there a level of Governmental control through a statutory planning system as well established as in Britain. Hence the problem of coping with pressures and demands of the industry have been increased by the

lack of comparative situations, inadequate information and ability to forecast certain events. This situation is critical to Local and Central planning authorities who have responsibilities to plan for, control and predict the location and scale of development, as well as allocate resources for this purpose.

The basis of this study therefore is primarily concerned with the impact recent oil developments is having on the planning process in N.E. Scotland. Perhaps at this point some definition of terms is required:

(i) Firstly the "planning process": a multi-dimensional term which incorporates the following elements:

- (a) the process by which change is accommodated and initiated in the physical, social, economic and institutional environment at all scales;
- (b) mechanism by which resources are allocated between the various competing demands in the social system;
- (c) the aggregate of various decision processes of local and central authorities, agencies and individuals. "Planning must be seen as an integral, though not the dominant part of the total governing process" (McLoughlin and Thornley 1972 p.13).
- (d) the operation of the statutory requirements made of local authorities as laid down in the legislation - (Town and Country Planning Acts - 1947, 1969, 1972), which are the basis of land-use planning controls.

(ii) Secondly the Region itself is clearly defined in statutory and statistical terms as the Standard North East Planning Region, which will only to a limited extent be modified under the reform of Local Government and associated boundary changes. At present the Region incorporates the 5 Counties - Aberdeenshire, Kincardine, Banff, Joint Moray-Nairn, and the City of Aberdeen - Several authorities and public service functions are organised on the same or similar area basis e.g. N.E.S.D.A.¹, N.E.S.J.P.A.C.¹ police, water board etc., which further justifies the regional definition adopted. Given these broad reference bases round which work is organised, more specific aims and objectives of the analysis were formulated as follows:

(i) an examination of the new demands and pressures being made on local planning authorities and the Region consequent to the impact of

¹N.E.S.D.A.: North East Scotland Development Authority.

N.E.S.J.P.A.C. : North East Scotland Joint planning Advisory
Committee

oil and related developments;

(ii) examine local and central authorities' reactions and perceptions of events, given the constraints under which they are operating; the basis on which action and change is legitimated, decided upon and controlled; to what extent oil has influenced any change where it exists;

(iii) pinpoint the problems of the planning process, machinery etc. as it has operated in this situation; what the future planning problems will be; and thus suggest possible alternatives, solutions, and guidelines.

The field of enquiry is considerably wide, in view of the broad definition of the "planning process" which embraces the roles of various agencies, bodies, individuals etc. not generally accepted as part of the statutory planning system. Problems are not confined though to the "boundary" issue; another is the question of timing. Ideally such an analysis should be carried out in greater hindsight of events and reactions, since developments are at an early stage of formulation. Thus comment in certain areas tends to be on the grounds of intuitive and incomplete knowledge and judgement of situations and events. Similarly, given the existing extremely dynamic and fluid situation, with new demands, policies, decisions etc. being made daily, the inherent weaknesses of a partial factual accounting approach are readily recognised. But this can be validated on the basis that:

(a) some monitoring of events, particularly when seen in the overall sense, is necessary, because at present this is very limited;

(b) the descriptive element should only be regarded as a partial element of the analysis, since it is the planning process which is being analysed, and not the effects of the "oil boom" 'per se'.

This very element of rapidly induced change and pressure of events has pinpointed even in these early stages critical features & failings in the planning system and machinery as it is operating in the N.E. Unless these are recognised and handled effectively by local or central authorities in the immediate future, serious and lasting consequences for the Region and individuals living in it may ensue.

Several issues facing or about to face the N.E. are not unique to the area, and hence this may serve to increase awareness and provide more information on the common problems of similarly affected areas.

Given these above-mentioned, constraints and limitations of analysis, it is necessary to begin with a more detailed examination of the

various demands being made on the region as they have progressed over the last 2-3 years, and thereafter examine what the reactions have been to them.

(i) OIL INDUSTRY(a) GENERAL OUTLINE OF OILFIELD DEVELOPMENT IN NORTH SEA SITUATION

By way of introduction, it is necessary to set the North East within the general context of the North Sea oil industry and operational activity as it exists and into which it is likely to develop. Oilfield development proceeds along a well defined pattern of events, themselves influenced by the given level of technological knowledge, investment considerations and constraints, of the time period or area involved, the actual rate of exploitation of the resource being guided by economic demands made on oil companies and the general climate of opinion in both Government circles and society. The British Government at present favours a "laissez faire" approach to oil companies, in that maximisation of resource exploitation, over a minimum time scale is permitted, itself influenced by the Government's much criticised licensing arrangements; the aim being a more immediate reduction in Government's balance of payments difficulties through increased revenue returns from Royalty payments, taxation and export substitution.

The main phases of oilfield development are basically two fold: (i) exploration phase: (ii) production phase, with an intermediary construction phase which overlaps both phases over time. (Mackay, 1972) This is more localised though where more favourable coastal conditions exist e.g. Moray Firth, W. Coast, and hence it is unlikely that the N.E. will be so affected. The two phases of operations themselves operate over different time and space scales, with similar requirements on landward areas. In North Sea waters at present, exploration has been the dominant activity, having expanded vigorously over the last 2-3 years initial activity in the early 1960's being concentrated in the Southern Basin where considerable gas finds were established. In 1959, the Slochteren gas field discovery in Groningen province of Holland led to preliminary exploration of the offshore zone. The discovery in December 1965, by B.P., of the first offshore gas field (West Sole), led to other major gas finds (Leman, Indefatigable) in U.K. waters (1966). The first major discoveries of oil in commercial quantities in the Northern Basin, by Phillips (Ekofisk Field) in December 1969 confirmed the real potential of discovery of a vast new energy source.

fig.1

OIL DEVELOPMENTS: March 1973

KEY

- ▲ Principal Service Centre
- ▲ Service Base
- Fabrication Yard
- Proposed Yard
- Refinery
- ★ Major Oil Gas Fields
- ☆ Oil Discovery
- Pipeline (proposed)
- ... Sector Boundary

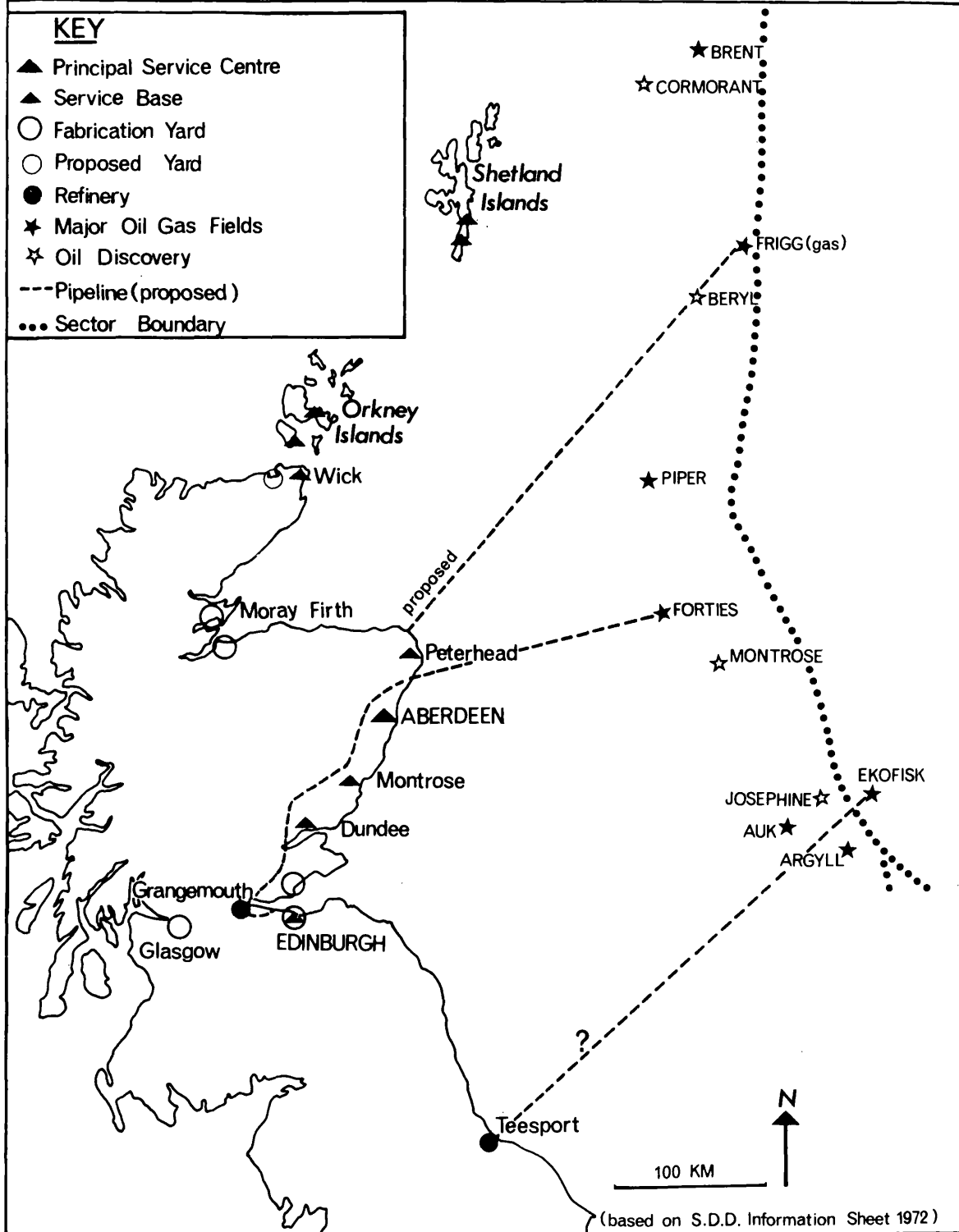


TABLE 1.

DISCOVERIES OF OIL AND GAS FIELDS IN NORTH SEA

<u>Date</u>	<u>Company</u>	<u>Name of Find</u> *	<u>Location</u>
Dec. 1969	Phillips	<u>Ekofisk</u>	Norway/UK. sector boundary
Oct. 1970	B.P.	<u>Forties</u>	110 miles E. of Aberdeen
Sept. 1970	Phillips	Josephine	175 miles E. of Dundee
Jan. 1971	Shell/Esso	<u>Auk</u>	160 miles E. of Dundee
Nov. 1971	Gas Council/ Amoco	Montrose	30 miles s. of Forties Field
Mar. 1972	Hamilton Bros.	<u>Argyll</u>	20 miles S. of Auk Field
May 1972	Total	<u>Frigg</u> (gas)	150 miles E. of Shetland
Aug. 1972	Shell/Esso	<u>Brent</u>	100 miles N.E. of Shetland
Aug. 1972	Shell/Esso	Cormorant	75 miles NE. of Shetland
Sept. 1972	Mobil	Beryl	100 miles S. of Shetland
Sept. 1972	Signal	?	25 miles N. of Brent
Jan. 1973	Occidental	<u>Piper</u>	100 miles S.E. of Shetland
Feb. 1973	Phillips	Maureen	35 miles N.E. of Forties.

* Major finds underlined.

(Source: adapted from Standing Conference on North Sea Oil Information Sheet, No. (73)1 (1973)).

Exploration activity therefore has concentrated in ²main discovery areas: (i) southern part of N. North Sea Basin; centred off Aberdeen: (ii) waters east of Orkney and Shetlands. Fig. I illustrates the location of finds and production plans to date. Given existing trends and forecasts, exploration will continue to extend into northern and western waters, especially north of 62° parallel, into the Minch, though clearly subject to physical and technological constraints which such environments impose. The economic viability, even given these constraints alone, are subsumed by exogenous forces related to the oil industry itself elsewhere, particularly critical with the present political situation in the Middle East. It can be assumed though that exploration activity will peak between 1975-76, at least in the area immediately off the N.E. coast, though the overall life of the industry could be in the region of 20-50 years.

(b) EXPLORATION PHASE DEMANDS

In terms of demands likely to be made on landward areas in the exploration and early production phases, these will be determined primarily by the areas locational advantage vis à vis the oil field

locations and drilling activity, and its ability to meet the general requirements of the offshore sector. Overall the direct effects will be singularly coastal and concentrated in extent; in turn there is some degree of functional specificity of area arising with the various developments. For example: (a) certain northern and eastern ports are developing as service bases from which service and supply vessels operate; (b) certain larger centres are developing both as administrative and service centres for the whole of the N. European offshore activity; this is a continuous function through the exploration and production phases.

Given this overall pattern of onshore development, it is perhaps valid to examine the very locational criteria, by which land bases are established by oil companies: (i) firstly, a close proximity to drilling operations, to minimise friction of time and distance, and thus costs, particularly in relation to transfer of equipment, personnel, for speedy rig-shore communications; the hostile, uncertain environment of the North Sea, precludes this for general safety reasons; (ii) Secondly, the existence of adequate existing port facilities, preferably centred on a major urban area with fundamental yet comprehensive administrative and service functions. In terms of basic port requirements these may be listed as follows:

- (a) a good sheltered, all-weather harbour;
- (b) adequate deep water wharfage facilities, with water depth of 21 feet;
- (c) harbour preferably available on a 24 hour basis (i.e. at all states of the tide)
- (d) adequate land adjacent to quays for warehousing, storage purposes. (S.E. Churchfield, 1972 - Bank of Scotland.).

In the case of N.E. Scotland, attention of the oil companies has focussed on the ports of Aberdeen and Peterhead as land bases in which to set up offshore operations. Within the environs of Aberdeen, the demands of oil companies have been particularly localised and specific both in area and type:

- (a) Wharfage facilities and quay space for rig service, supply vessels. Three oil companies (Shell, Amoco, Texaco), have already stated plans for creating new oil base facilities, Shell's being the most controversial, since it will necessitate the "removal" of Old Torry village;
- (b) Storage space adjacent to quayside for equipment etc.;
- (c) "Back-up" areas for warehousing, storage of pipes, drilling equipment etc.

- (d) administrative and office facilities, both adjacent to harbour and more centrally located within existing commercial core;
- (e) facilities e.g. commercial and social, in close relation to communications particularly the airport. B.P. for example have located their control centre for North Sea operations at Dyce;
- (f) good communication links both by road, air and rail, and in rig-shore terms; the importance of Aberdeen as an operations base, is seen in decisions of two Companies (B.E.A. and Bristow Helicopters) to transfer operations to Dyce.

While Aberdeen can to some extent provide certain infrastructural, administrative facilities, it is the lack of adequate harbour facilities, access, space both for storage and berthage, which has been accentuated by the competing demands of the fishing industry that has not facilitated Aberdeen's ready attractiveness to certain oil companies and servicing firms. At present there are 15 major oil exploration companies based in Aberdeen. The eagerness of authorities to accommodate and attract oil companies expressing interest in the City, is perhaps reflected in the case of Old Torry. In spite of intentions by the Corporation to carry out an improvement scheme, in this small residential area, adjacent to existing Shell facilities, Shell's demands, backed by Aberdeen Harbour Board, for site extension and acquisition, exerted great pressure on the Town Council. This became a prestige issue for the City, since immediately prior to this, B.P. had announced intentions to utilise Dundee rather than Aberdeen as their service base, and thus fears of losing another major company, particularly the employment benefits which would accrue, being obvious. Thus pressures for land, have frequently been underlain by more political issues at both local and national level.

(c) PRODUCTION PHASE DEMANDS

Demands of the production phase are likely to be considerably less on adjacent areas than the earlier or continuing exploration phase. With plans for production to start in late 1975, early 1976 (Forties), the North-East is likely to be involved at this stage, though the scale of activity will be considerably less; Aberdeen especially though, having established itself as a major service and administrative centre for North Sea operations, will clearly benefit over a longertime scale than smaller more ephemeral centres of Montrose, Wick, Shetlands.

Production phase plans of oil companies for developing oil fields, are at present rather sketchy, with only four having made fixed plans:

TABLE 2

OILFIELD PRODUCTION PLANS

EKOFISK : Tanker initially; Pipeline to Teesside.
FORTIES : late 1975: pipeline to Cruden Bay and Grangemouth
AUK : late 1974 (?); tanker to Teesside
ARGYLL : mid 1974; ?
BRENT : late 1975; tankers until pipeline constructed.

The alternatives in the North Sea environment, given particular geophysical, technological and economic constraints, are two-fold:

- (i) Construction of a submarine pipeline to suitable processing or trans-shipment points. (Forties; Ekofisk (?)).
- (ii) Offshore loading on to tankers, and trans-shipment to shore processing or alternative market sites. (Auk).

The demands being made on the N.E., are confined to the former mode of production: sea-land pipelines. B.P. were the first to announce plans (1/12/72) to construct a 110 mile submarine pipeline from their Forties Field to a landfall at Cruden Bay, with a land pipeline (130 miles) to the Grangemouth refinery and Dalmeny shore loading terminal. The route has been approved and sanctioned by the D.T.I. (30/1/73) under the Pipelines Act 1962, site preparation work already under progress at Cruden Bay, with oil hopefully coming "on stream" by 1974-5. Requirements therefore are localised to the landfall site and pipeline route alone, with 50 acres being allocated at the former (planning permission granted) for a pumping and gas separation plant. In environmental terms, demands will be minimised, with conditions of site preservation and screening etc. being made.

A more recent announcement by the Gas Council - Total Oil Marine Group applying for planning permission to bring gas ashore from their Frigg Field, to a terminal site at Crimond Airfield (N. of Peterhead), has introduced a more controversial issue, for its demands on the area are more pervading in environmental terms. Plans while at present inadequately publicised, and still unresolved, suggest the possibility of construction of a gas liquefaction, processing plant with associated pipeline complex from the field to market. It appears that the pipeline landfall is regarded by oil companies as the only suitable one in economic terms; mounting pressure and demands for further alternative site investigation by the Company, which would obviate the need to pass the pipeline under

the ecologically valuable Loch of Strathbeg, has caused local planning authorities, through the Countryside Committee of Aberdeen County, to defer decision on the application several times. This has furthered the cause of environmentalists and conservationists (Aberdeen University, Nature Conservancy, Royal Society for the Protection of Birds) who have considerable support in their attempt to save this prime (Grade One in Nature Conservancy classification) bird wintering site. Given the need by the Company to avoid comparable "swans and geese versus oil" arguments (as arose at Foulness), and the likelihood of a public enquiry that such would imply given the strength of public opinion, this may encourage them to suggest an alternative landfall site though less economical one for them. This very factor of physical proximity to oil and gas fields in the "knuckle" part of Buchan, is clearly seen by oil companies as extremely attractive in terms of landfall sites for pipelines. The need is for greater consideration of multi- or joint-usage of facilities and pipelines, although oil companies are not noted for their degree of inter-company cooperation. This will be vital if environmental damage is to be avoided in this area of Scotland.

Perhaps as a rejoinder, mention should be made of the extreme unlikelihood of the construction of refineries or large-scale processing plants to deal specifically with North Sea oil either in the N.E. or even in Scotland. In terms of pure oil industry economics, such developments can be rejected outright, since the market orientation requirement, and limited future demand (in Scotland), are likely to be catered for by present undercapacity. (Mackay, 1972).

(ii) ANCILLARY INDUSTRY DEMANDS

The above description of direct demands made on the N.E. by oil companies and rig operators is only a partial reflection of the oil industry, for it is the ancillary service industries which have greatest impact in socio-economic and to some extent physical terms. The offshore operations, which at present approximates 15 exploration rigs in U.K. waters, most of which are serviced from Aberdeen (N.E.S.D.A. 1973) have multi-various requirements in terms of mechanical equipment, drilling and consumable supplies etc., which requires suppliers of varying degrees of specialisation to meet their needs. Local firms have adapted in certain sectors to the needs of the oil industry, e.g. in haulage, food provision,

engineering services etc., but a considerable number of exogenous industries and firms have now located in the N.E. N.E.S.D.A.'s periodic list of companies located in the Aberdeen Area, at present (March 1973) suggesting approx. 150, with 1-2 firms arriving per week, can be broken down into the following categories:

TABLE 3

Oil exploration companies	15
Oil rig operators	7 (excl. Shell & B.P.)
Shipping/Marine companies	9
Specialist service and supply companies	86
General service companies	33
	<hr/>
Total	150

(Source: N.E.S.D.A. (1973): "North East Scotland and the Offshore Oil Industry")

While the validity in real quantitative terms can be questioned, since a large number of firms are in fact only representatives frequently only transient visitors to the City, the figures do illustrate the structure and distribution of the ancillary industry affecting this area. Perhaps more realistic reflections of demand whether in form of enquiries or actual land developed, comes from the very local authorities themselves. In the case of industrial sites, a recent Report by the Regional Planning Adviser (N.E.S.J.P.A.C. 1973) illustrates the excessive demand over the past year in the following comment:

"The City Assessor during 1972 received more than double the number of written enquiries as in 1971, and many times the average number for the years 1966-69; the Aberdeen County Planning Officer received over four times as many enquiries for the Suburban Areas in 1972 as in 1971; industrial sites developed in and around the City in 1972 were over five times the average for 1960-68."
(para. 2)

The scale of the demand is obvious; the demands on the property and land markets made by ancillary industry, like those of the oil companies themselves, are specific for the type and scale of firm:

- (i) service industries, with large space and storage requirements;
- (ii) small office based firms.

Both have locational preferences which in Aberdeen, are confined to the harbour, central business area, suburban area of industrial estates. The time and scale element is particularly critical also,

since there is a demand for both short and long leasing arrangements - It is the accommodation in the property and land markets, and rationalisation of these various complex competing demands of ancillary industries which is problematic for both private and public interests involved.

Perhaps some cautionary note should be introduced here though, especially when considering the likely impact which such developments will have on the economy, both local and national. When taken in the context of overall oil company expenditure, the amount spent on servicing, land-based activities is insubstantial compared with total expenditure on for example rigs and platforms as the following figures illustrate:

TABLE 4 ESTIMATED EXPENDITURE BY B.P. ON FORTIES FIELD

	<u>£ (millions)</u>	<u>%</u>
Drilling	40	12
Platforms	183	55
Pipeline	60	18
Shore	17	5 *
Services	13	4 *
Contingencies	20	6
	<hr/>	<hr/>
	£333 m	

(source: T. Mackay).

Cazenove (1972, p.50) suggests the allocation to services will only be 1.1% of the share of possible exploration activity expenditure (13.8% of total expenditure); in the development phase (86.2% of total expenditure), shore services command only 2-4% of the financial allocation. This suggests that some perspective should be introduced when forecasting the impact of demand on landward areas.

(iii) LABOUR AND EMPLOYMENT DEMANDS

The question of local economic impact and multiplier effects mentioned above, introduces the matter of employment generated directly or indirectly through oil. The extremely favourable employment situation at present being experienced in the N.E., something which by comparison with W. Scotland it has always maintained, is reflected in the slightly declining or at least steady unemployment rates vis a vis the rest of Scotland.

TABLE 5

WHOLLY UNEMPLOYED (%RATES) IN N.E. REGION AND SCOTLAND

	1961	1966	1969	1970	1971	1972
	June*	June*	Jan.June	Jan.June	Jan.June	Jan.June
<u>Total:</u>						
N.E. Scotland			3.6 2.8	4.2 3.0	4.4 3.8	4.9 4.8
Scotland			4.0 3.3	4.3 3.8	5.2 5.4	7.0 7.1
<u>MALES</u>						
N.E. Scotland	3.2	2.5	4.6 3.5	5.5 3.9	5.8 5.0	6.4 6.1
Scotland			5.0 4.2	5.7 5.0	6.9 7.1	9.2 9.3
<u>FEMALES</u>						
N.E. Scotland	2.0	1.4	1.9 1.6	2.0 1.5	2.1 1.9	2.5 2.7
Scotland			2.2 1.7	2.1 1.9	2.6 2.5	3.7 3.8

*Gaskin (1969) Table C.1. Appendix c, p.150:

(Source: N.E.S.D.A. (1972) Annual Report 1971-72, based on D.E.P. data.)

In the past levels of unemployment in the N.E. were artificially kept down by high levels of outmigration; the recent oil developments have served both to attract labour into the area, take up local "slack" in employment and possibly to minimise outmigration by providing a wider jobs market for the former potential emigres. Much controversy has surrounded the employment multiplier issue, in part due to inadequate information from official sources. Clearly this is a political issue, particularly when seen in promotional terms for the Region. N.E.S.D.A. for example utilised a multiplier of 3+ at one point though have subsequently reduced it to 1.75-2. Aberdeen University (Dept. of Political Economy) have produced for the Scottish Office more realistic estimates of likely employment generated directly or indirectly from the oil industry (using multiplier of 1.2-1.4 for the Aberdeen Area)*

TABLE 6 NORTH SEA OIL EMPLOYMENT (DIRECT AND INDIRECT)

ESTIMATED EMPLOYMENT GENERATED BY OIL INDUSTRY TO 1975

	<u>DIRECT EMPLOYMENT</u>	<u>INDIRECT EMPLOYMENT</u>	<u>TOTAL</u>
Aberdeen	3000	1000	4000
Rest of N.E.	2000	600	2600
Highlands	2000	800	2800
Rest of Scotland	3000	2400	5400
Totals	10,000	4800	14,800

(source: Mackay, 1972, p.282)

While it is in direct terms that the actual "spin-off in

numbers employed in the N.E. will be greatest, the rate of the indirect employment particularly through service industries etc., may prove more significant to the local economy. In this case it is not numbers 'per se' which are the real problem, rather it is the type of skills, and particular time period of demand which is critical in some sectors. The oil industry demand already exceeds local supply, requiring labour with highly specialised skills, with wide labour markets, which necessitates much 'import' of labour into the area. Locally there have been shifts within the labour markets, both in structural and spatial terms, to attempt to meet some of this demand. Less skilled employment has to some extent been attracted into the oil industry, certain losses from the fishing industry frequently being blamed on this, though it is unlikely to accelerate in spite of fears to the contrary.

Rather it is the overlap of demands for semi-skilled, unskilled labour in industrial sectors which have benefited indirectly from oil e.g. construction, services, local contractors, where shortages and "bottlenecks" have arisen. Demand in this area was already high, given the recent upswing in the local, regional economy. Recent expansion of activity has produced a situation of labour shortage, particularly in the building trade, especially in less favoured sectors e.g. local authority building, which with additional industrial disputes has thus caused set-backs in building rates.

In spite of escalation of employment opportunities, demand remains concentrated in certain areas of existing provision i.e. coastal settlements, inland service or industrial centres. The imbalance therefore between development and employment in the growing coastal periphery and the stagnating rural hinterland may be even further accentuated. The "oil boom" may have accelerated certain directions of spatial shifts of labour e.g. rural-urban drift, though there is no evidence on this; Coastal developments though may serve as "holding points" for formerly potentially emigrant labour. What is of greater interest is the possible shift in travel-to-work patterns over which there is very limited knowledge in the present situation. The Gaskin Report (1969) suggested that travel-to-work was limited traditionally in the N.E. to a maximum radius of 20 miles round the 2 major employment centres, Aberdeen and Elgin. The trend towards increasing commuting distance tolerance, car ownership and affluence, with the rising popularity of more scattered communities within The Aberdeen Sub-Region (Ellon, Inverurie, Kintore, Banchory, Stonehaven), has extended the travel-

to-work pattern over a slightly increased area and in scale.

In terms of the time scale of labour requirements, it would appear that while demand will continue in certain sectors, over the next decade or more, there will be an obvious falling off in certain directions. This is perhaps not as serious in the case of the N.E., with Aberdeen hopefully developing as the "Offshore Capital of Europe" (N.E.S.D.A.) in terms of offshore oil technology. External factors, e.g. economic climate in U.K. and oil companies, technological constraints etc. may guide future development, and the dangers of over concentration and specialisation are obvious.

(iv) SERVICES DEMAND

The escalation of population and employment demand in the North East and Aberdeen Area particularly, added to the high investment potential of the area, has extended the demand for various services and facilities:

1. Housing has been the most publicised, since a combination of several factors have created a very tight housing market, the recent inflated sale prices of land - (Westhills, £20,000 per acre) and property in part reflecting this situation. Obviously a high rate of inward movement of labour, of varying types, aspirations, and length of permanence, requires the local area to meet such immediate and variable needs. Estimating the existing and future needs generated by the oil industry, over and above those of the local area is problem-ridden. The Report prepared by the Regional Planning Adviser for N.E.S.J.P.A.C. ("Housing in the Aberdeen Area;" N.E.S.J.P.A.C. 1972), suggests rather optimistically, that 16,550 extra houses will be required in the Aberdeen Area by 1976, assuming the impact of oil (10,005 houses, assuming no impact).

Demand certainly has escalated, particularly in scale requirements for land: whereas previously demand for residential land was confined to relatively small localised developments, presently, property development companies are entering the market requesting large areas of land. Local authorities, thus under pressure to make land available, face a dual responsibility, both to make provision for local authority housing and replace outworn stock, yet also to stimulate the private sector and thus increase rate revenue. It would appear unlikely the latter will be ignored.

2. INFRASTRUCTURAL SERVICES - The pressures associated with housing provision are induced in part by those of associated public utility services - water and drainage. Water supplies in particular

have always been a major constraint on any development, whether industrial or residential, within the north-east. Given the rather fixed time scale over which the completion of the regional water scheme proceeds, developments cannot be authorised in certain locations until this connection date. Similarly, in certain localities, sewage plants (if they exist), or water courses, are under extreme pressure and frequently require new plant to cope with added frequently unprecedented demands. Two critical elements in the case of service provision are as follows:

- (a) Timing and finance: since although not involving considerable capital outlays, financial allocation has to be planned by local authorities in advance;
- (b) Scale of developments: while certain developments and expansions were planned for in the locational sense, the scale which developments have acquired have been partly unexpected by the requisite authorities. Population increase in the N.E. given the high rate of outward movement was not expected to be very great; projected growth being localised in Aberdeen, Don Valley and Elgin (Gaskin 1969). Population estimates subsequent to Gaskin have proven more favourable and thus some revision of existing forecasts of demand have had to be made. Continued population increase in addition to re-distribution, have accentuated the problems in certain areas.

3. INFRASTRUCTURE. Demands for improved infrastructure and communications (roads, airport facilities, rail, harbours) have become issues of considerable political debate: extension of major road improvements along E. Coast thus increasing links with other oil developments e.g. Moray Firth and Fife, the development of Peterhead as a service base especially requiring provision in view of movement of heavy goods transport generated; proposals for reopening closed passenger and freight railway links (Peterhead and Fraserburgh); extensions to Aberdeen Airport runway, flight services, terminal facilities; improved harbour facilities at Aberdeen and Peterhead both for oil and fishing industries. The burden of responsibility and financial allocation for such developments lies variously with central authorities, and other bodies e.g. S.D.D., D.O.E., D.T.I., British Airports Authority, British Rail, in addition to individual local authorities. Similarly financial investment demands for infrastructural provision may be unbalanced between local

authorities, Aberdeen County for example being faced with the burden of responsibility both in the pre-and post-oil era.

CONCLUSIONS

The demands being made on the North East over the last 2-3 years have been various. Events have been characterised by their speed, something which local and central authorities have found to be rather problematic. Demand basically has overlapped the following spheres:-

- (i) physical: land, infrastructure, property:
- (ii) economic: capital, and investment (public and private) which has frequently been immediate.
- (iii) social : labour, accommodation of rural and urban population increase and movement both intra- and inter-regionally.
- (iv) environmental

Change as demanded above has been required in so many spheres. Before examining the effects on local authorities, some consideration must be made of the role of Central Government, for certain decision areas over which it controls subsume much of local government activity, something made readily apparent in the case of oil.

The influence, directly or indirectly of Central Government (defined here to include both Scottish Office and Whitehall) on local government activity may be related to two main factors:

- A. policy and action (which includes technical guidance):
- B. institutional framework and associated statutory control.

Clearly certain elements will be continuous and unchanging, and of national applicability e.g. legislative procedures incorporated in planning law (Scotland); others may be more flexible or specific in area application. The degree to which either actually influences local Authority policy and decision making in part relates to:

- (a) the directness of applicability to local authority area e.g. Harbours Development (Scotland) Bill 1972 relates to Peterhead and Uig alone;
- (b) the very authenticity of the factors themselves, in terms of fixed Central Government policy and the balance placed on any element of policy e.g. the only element of fuel policy related to oil at present may be the rate of exploitation permitted;
- (c) the balance of power between Government Ministries, Departments, and the degree of co-ordination between them;
- (d) the role of each local authority vis à vis Central Government.

An examination of changes induced by oil developments in these two specific areas of policy and organisation will provide a background for certain local government decision making and activity. Similarly local developments themselves may be governed or generated by very elements of central policy measures or legislation e.g. industrial location, housing demand etc.

A. CHANGES IN POLICY AND ACTION

Policy is frequently neither explicitly stated, nor action taken necessarily related to a policy framework. More generally policy is implicit, being partly reflected in directions (e.g. Departmental circulars, advice notes etc.), or certain arrangements of institutions or balance of power, within Government itself. An attempt to examine changes in policy generated by oil developments is thus highly contentious and problematic, given inadequate statement of intentions from within, and the isolation of agencies from public access. In terms of policy, the areas of interest relate both to the national and Scottish level, the balance between the two depending on the particular policy or subject area under consideration, since powers are variously allocated between Departments of the Scottish

Office and Whitehall.

There are three main policy and activity areas significant in this situation: (i) Fuel policy (ii) Regional and Industrial Development policy (iii) ports and infrastructure provision (iv) technical guidance: population projections.

(i) FUEL POLICY: OIL

The importance of this new found energy source to the U.K. economy and to fuel supplies are various: (a) firstly it will help reduce the country's dependence on imported supplies which implicitly suggests (b) that it will be an aid to British balance of payments problems through import substitution: Government fuel policy, if such exists, has been directed towards an increasing reliance on oil and possibly nuclear energy as a basis of U.K. fuel market, the pricing system of coal for example reinforcing this (though a recent policy statement to give aid to lagging areas of the coal industry can be seen more as social welfare measures to decrease the rate and impact of eventual decline). Given a rising U.K. demand for oil, and the particular political, economic constraints on imports imposed by conflicts with O.P.E.C. and the Middle East, clearly North Sea oil will provide a new and valuable contribution to U.K. energy needs, and "contribute greatly to the security of our supplies:" (Report to Parliament, "North Sea Oil and Gas" Dec. 1972).

A cautionary note should be introduced here over this question of reduction of balance of payments difficulties through reducing the import bill, for many fallacious arguments are introduced - The very nature of the oil product from the N. Sea, is not compatible to U.K. market needs, hence much will be re-exported for final processing at required markets in N. Europe; neither is the scale of U.K. demand sufficient to require too much expansion of existing refining capacity, though it is D.T.I.'s policy "to maximise oil refining capacity, and would like to see more refineries in Scotland (Mr. L. Williams, Standing Conference on N. Sea Oil, Inverness 3/10/72.) B.P. for example, in spite of suggestions to the contrary, have no fixed plans for expansion of the Grangemouth refinery, concentrating instead on expansion of refineries in N. Europe (W. Germany, Holland).

This confines the main benefits to the U.K. economy through remaining less direct means: (c) Exchequer revenue from royalty payments and taxation; (d) local economy expansion, associated

with service and ancillary industrial development.

To return to this question of oil policy, there are 2 main areas of concern: firstly does the Government in fact have a fixed oil or fuel policy? Secondly if so, how much is it independent of oil company operation?

The inadequacies in the light of limited evidence, suggests that this policy issue is not restricted to the sphere of fuel, since it underlies the whole rationale of Government. Clearly one of the major constraints on action and future policy planning has been inadequate information or predictive knowledge, given the inherent secretive nature of oil company activity. The recently published Report of the Public Accounts Committee (House of Commons Paper 122) confirms the limitations of a situation of lack of early awareness of either the scale or potential of developments, and lack of coordinated policy or action between various Government Departments and Ministries; the D.T.I. in particular were attacked for their lack of foresight and their handling of licensing and taxation arrangements.

Justification for inaction through inadequate information or at least unwillingness to accept evidence even though available, was not the sole factor. Conservative Government policy as stated by Mr. G. Younger at the Inaugural meeting of the Standing Conference (14/2/72) has been a cautionary one aiming at maximising the benefits: "Government had been watching the developing situation with close interest - anxious on the one hand not to interfere, with the legitimate Commercial operations of the oil companies in whose judgement must be the decisions on when and how viable arrangements to export the oil finds could be made; and anxious, on the other hand, to see that no unnecessary difficulties or delay impeded progress and that maximum advantage was taken of the industrial and commercial opportunities offered. The Secretary of State (Scotland) was concerned to ensure that the very considerable industrial spin-off from the oil operations should bring the maximum number of jobs and services to Scotland." (para. 4).

Thus there are 3 main elements of Government policy towards oil exploration which are extremely relevant to the local situation:

(i) Firstly the Government's stipulation (under directions of Petroleum Division of D.T.I.) to maximise the rate of development and exploitation of the oil fields with greatest speed possible; this is determined by the Government's licensing and block allocation procedure over the last 8 years (under the Continental Shelf Act

1964):

- (ii) the general economic climate in U.K. at present, and opinion of Conservative Government regarding the role of oil returns in the economy;
- (iii) the dominance of oil and ancillary company policy and economics: at present major decisions on the location of pipeline landfalls and routes, platform construction sites, processing plant etc. are based on purely economic-technical criteria.

These various aspects of oil policy and the economy - rate of resource exploitation, scale of developments, and rate of return, - all influence at various scales and rates, the developments in affected landward areas.

(ii) REGIONAL POLICY

There are 2 aspects of regional policy which have to be considered:

- (a) Industrial development policy; (b) Regional strategies and plans.

(a) REGIONAL INDUSTRIAL DEVELOPMENT POLICY

The role of the D.T.I. is perhaps associated more with provisions, implementation and control of location of industry and regional development through its regional policy measures. It would appear that the advent of oil and the implications for the economy and regional development in Scotland and U.K. which are inherent in this has made little impact on explicit Government regional policy. Regional policy measures (incentives building and employment grants, Development Area Status, advance factories etc.) have remained unchanged by oil. The 1972 White Paper (Cmd. 4942) on "Industrial and Regional Development", and Industry Bill (1972) while coinciding in time scale with beginnings of economic impact of oil, was introduced by the Conservatives primarily as a guarded effort to regenerate regional policy (which until that date had been relatively ineffective), and particularly to attempt to solve problems of lagging areas in U.K. Regional policy in Britain has been subject to constant reformulation; the only major departure from previous policy formulas which the White Paper introduces is the greater assistance and incentives given to indigenous industry through the regional development grants; perhaps its more radical provisions are for the setting up of an industrial development executive, with regional offices to operate the new legislative provision.

Criticism of slowness and ineffectiveness of Government action in policy terms over adequate opportunities and encouragement given to British firms to enter into the very competitive international

oil industry at all levels, has frequently been countered by some degree of self-justification. The Government feel that the provisions of the Industry Bill for example has been sufficient in this sense, the criticism of inaction being justified by their awaiting also publication of the Report by I.M.E.G. consultants (commissioned May 1972, initially given a 4 month time limit, though the final report was published January 1973). The Government are now considering any policy or legislative changes which the Report's recommendations may suggest, though it is unlikely that any major change in Conservative "laissez-faire" industrial policy will ensue. Government regional policy measures up to date therefore have neither been adaptive to meet change within industrial structure, with little attempt to develop both oil and indigenous industry. In certain respects it is too late to attempt such since the high competitive factor within an American dominated industry would confirm the inutility of over investment in certain directions.

Neither has there been evidence of either the formulation or change within existing regional strategy. At present discrimination in allocation of resources between various areas in Britain tends to be a rather ill-determined competitive basis, perhaps a more explicit policy being politically unacceptable. Attempts to help Clydeside through Marathon engineering etc. could be regarded as a positive move to stimulate oil related industrial development, though this perhaps was more of a social and political step. The Scottish economy over the last 2-3 years is gradually through oil development reorienting its spatial and internal functional structure. Suggestions have been made that Government should for example withdraw regional incentives from the more favoured areas such as the N.E., though as Rodney Cowton ('Times' 5/2/73) concludes:

"For once, regional policy has a genuine industrial growth point, and the objectives should be to find best solutions to problems brought up, rather than diminish them by reducing the incentives to investment."

Change in the structural and spatial balance of the Scottish economy as has been initiated, suggests the need for reassessment of both national and regional policy. Renewed demands for a Government White or Green Paper, stating policy intentions, so updating the various plans (e.g. 1963 and 1966 White Papers),

and perhaps an overall plan, have been forcibly made. In recent evidence summarised below by Scottish Office to the Select Committee on Scottish Affairs, considering land resource use in Scotland, some indication of Central dislike of this political proposal and similarly some indication of the administrators' perception of the process by which "national plan" strategy should be formulated:

- While it would appear that Administrators would agree to the preparation of such a Paper, if Ministers so directed them, they felt that existing process of policy formulation and guidelines would be equally preferable. The completion of W. Central Scotland Plan would complete the 7 regional strategies for Scotland: "When we have that and have the fairly comprehensive picture..... we will have clearly to reconcile the assumptions made in these various studies, and in the light of our reconciliation to give the guidance needed for Structure Plans. Now it is perfectly arguable that at that stage our various guidelines could be pulled together and exposed for public discussion if that is what Ministers desired. But we are not at this stage yet." - being at least 2 years away from this. (B. 1087 (53-XIV)).

While the various debates and arguments which the whole oil issue introduces in terms of Scottish economic development prospects, there are a few questions which should be introduced here:

1. The organisational split between national and regional levels, and (political and administrative elements) - in policy formulation, imposes a methodological argument of which should precede the other. The above statement would suggest a process of working from regional to national level. Conservative Government policy would tend to refute the idea of a national economic or physical plan. It is confirmed by the administrators in Scottish Office (again in evidence to Select Committee 1972) Mr. Hume replying to questioning (B. 1082): "we would not believe that it was desirable to set down a precise map of future structure of Scotland. On the other hand, we do believe that we have to give as much guidance as possible on factors which regional authorities must take into Account." What and how the guidance is to be determined is not explained. The only recent statement of the outline of regional physical development strategy in Scotland is again gleaned from evidence to Select Committee (Mr. Hume):

"our strategy at the moment sees the Central Belt expanding

to the North East (Tayside) and S.W. (Ayrshire); we see it as an open-ended industrial nexus."

Perhaps the commissioning by Scottish Office of Aberdeen University (Department of Political Economy) to carry out a survey on the impact of oil in Scottish Economy may alleviate this lack of national strategy; again though any such proposals would be subject to political expediency.

2. This introduces another problem: the split between economic and physical planning. Whether or not any economic policy is operational at regional level, certainly economic policy is extremely influential in decision making, with the Treasury and D.T.I. in Whitehall holding the balance of power over various Government Departments. In spite of the coordinating function of the Scottish Economic Planning Board, the split remains.

3. The question of efficacy, legitimacy and the very role which Central Government sees the Regional Authorities as assuming in the planning sphere in spite of allocation of strategic and structure planning functions, to the regions under reorganisation of local government. There is as yet no real definition either of the role particular regions are to assume in the overall national context, something one would expect from a positive national-regional planning policy; neither is there any guidance as to the very scope which such strategies and plans are to embody. The Town and Country Planning (Scotland) Act 1972 (para. 5 (4) (a)) states that Local planning authorities should have regard "to current policies with respect to the economic planning and development of the region as a whole."

Perhaps given the limitations of the forthcoming Local Government Bill, in terms of failure to introduce real and more effective regional government and planning machinery, the scope of the future Structure Plans will likely be restricted principally to a more immediate concern with physical planning.

(b) REGIONAL STRATEGIES AND POLICY CHANGE.

Given only the recent initiation of minimal revision of national and regional policies, it is worth considering the bases of regional strategy which have implications for N.E. Scotland as they have been laid down in the 1960's:

(1) "SCOTTISH PLAN": The basis of a form of regional strategy lies in the 1966 White Paper (Cmd. 2864) on the "Scottish Economy: 1965 to 1970". The "Scottish Plan" (as Gaskin termed it), is an economic

document though specifying physical strategies at regional level, stipulated a "holding and consolidating" policy for the N.E., particularly in terms of population, necessitated by the major problem of heavy outmigration of population and rather static economic conditions.

"Expansion of industry and employment will be encouraged in Dundee and its hinterland and Aberdeen and the selected centres in the N.E."

The growth centres proposed, other than Aberdeen were numerous: Elgin, Buckie, Keith, Huntly, Banff-Macduff, Fraserburgh, Peterhead. Centres were chosen as those better placed geographically in terms of labour markets, and thus possibly better established to sustain growth. The role of the Region within the Scottish economy is relatively well defined, though there is no policy statement of the balance or scale of population or economic growth which should be achieved other than recognising the need to reduce outmigration.

(2) GASKIN REPORT (1969): The "Scottish Plan" generated the series of Sub-Regional Studies which were directives to growth, the Gaskin Survey being commissioned for the N.E.

It had the following remit:

- (i) to examine the current economic and demographic trends in N.E. upto 1975, and over longer terms;
- (ii) consider, how within framework of Government economic policy and provisions of Industrial Development Bill (1966), the Government's stated aim of encouraging expansion of population in Aberdeen and selected centres in N.E. can be achieved;
- (iii) on basis of (ii), suggest directives for industrial steering policy and for planning and provision of supporting services.

Gaskin therefore adopts as one of its main policy objectives, that of stabilising population of the region, which he concludes can in part be achieved by providing 8000 additional jobs by 1976. This can only be attained by creating a more attractive region based on planned concentration of development (housing and industry) within 4 major groupings of settlements: Fraserburgh - Peterhead; Banff - Macduff; Elgin; Aberdeen City and "satellites" (eg. Inverurie, Ellon, Banchory). Of these only 2 main growth centres were proposed: Aberdeen City Region (Don Valley axis) and Elgin. The number of areas is thus considerably reduced from those proposed in the "Scottish Plan," which were considered

unrealistic in view of the limited availability of development and mobile industry. Phasing of development, to be promoted initially in Inverurie and Elgin, would not exclude the possibility of expansion elsewhere given the regional benefits under development area status, and the freedom of local authorities to exert some promotion. The thresholds of expansion were largely those of water supply and drainage conditions, which suggests priority will be given to Donside and area N. of Aberdeen, which may thus inhibit growth at Inverurie.

Thus in attempting to alleviate the problem of population loss, Gaskin was concerned principally with physical planning factors e.g. infrastructure, housing, industrial sites etc., this requiring some broad locational strategy by which the process of expansion could be achieved, given the provisions of Government regional policy. No suggestions for change in the latter direction is made. Clearly the success of such a policy would depend on both Central and Local Government acceptance and assistance in implementation e.g. by making available necessary finance. Overall proposals though were embodiments of existing local planning authority policy, though clearly the growth centre proposals were controversial. Perhaps one major constraint on preparation and thus creating subsequent uncertainty surrounding its future validity, was the awaited Report on Reorganisation of Local Government (Wheatley), which perhaps guided the Reports attempts for overall political acceptability.

(iii) PORTS AND INFRASTRUCTURE POLICY

One of the major areas of Government control is that of finance and capital budgeting for various Departments and activities at national and local level. The granting of loan sanction, and the balance between various agencies is clearly a partial reflection of Government policy, though perhaps not very "rational" considering the tendency towards a budgeting policy as "the same as last time but a little more added" thus undermining the reality of positive policy directives. There are two major developments initiated and backed by Government finance which reflect the changing demands being made in particular areas and the Government's perception of these requirements of the oil industry:

- (a) Firstly the announcement (1971) by the Scottish Office of an expanded roads programme for Scotland: improvement of the A. 9 (Perth - Inverness - Invergordon); continued improvements of major roads (to dual carriageway standard) along the E. coast

linking Aberdeen, Dundee etc.

(b) The other major involvement of Government Capital along the east coast of Scotland are those associated with harbour developments, especially at Aberdeen, Peterhead, Montrose, Dundee. Discussions over several schemes have been protracted and decisions in some cases overdue.

(i) Aberdeen: The Government have approved, through loan sanction, a million pound harbour improvement scheme which will make the harbour fully tidal and thus accessible on a 24-hour basis. Aberdeen Harbour Board has supplemented this with a £300,000 scheme to reconstruct the fish market though this has been deferred for several years in view of the greater demand of the oil industry.

(ii) Peterhead: The case of Peterhead is more interesting since this has involved the role of Parliament and powers of the Secretary of State for Scotland. The considerable sheltered anchorage potential of the Harbour of Refuge (Crown Property) at the entrance to Peterhead harbour attracted several developers to consider siting oil service bases, particular interest being expressed in the south side. Peterhead Harbour Trustees negotiated and allocated 4.5 acres to Arunta (approved by Secretary of State I7/II/72), an oil service firm, who proposed wharfage and back-up facilities. Previously the Government being responsible for control of the Harbour, had hurriedly presented the Harbours Development (Scotland) Bill 1972 on 14th June 1972, which went through Parliament in record time; it requested powers "to enable the Secretary of State to develop, maintain and manage, or authorise persons to develop harbours in Scotland, made or maintained by him for any purpose and for purposes connected therewith."

A further announcement by another Government agency, the North of Scotland Hydro Electric Board (August 1972) of their final decision to locate an oil-fired power station at Boddam, S. of Peterhead, reinforced the need to consider development of the Harbour by the Government since jetty and loading facilities would be required by them. The final authorisation for development came with the unexpected announcement (November 1972) that the Government themselves were to develop harbour facilities (through the agency of Department of Agriculture and Fisheries)

at a cost of £2.5million, under the powers of the Harbours Bill -
A statement from D.A.F.S.:

"The Secretary of State looks on the development of Peterhead Harbour of Refuge as a matter of urgency in view of the need to take full advantage of the oil discoveries of the N.E. coast of Scotland."

Perhaps as has been suggested the Government were slow to gain awareness of the initial potential of the area and had to take hurried steps to take control of the situation. In Parliament (27/6/72) debating the Bill, several questions regarding the Government's lack of economic plans, and slow infrastructural provision were made. Mr. R. MacLennan for example stating: "the Secretary of State has failed to prove to the House that he has any strategy for the development of the (oil) industry."

The very allocation of grant and loan sanction to the above harbour developments is itself though regarded as a significant change in Government policy.

The implications though of this undermining of local authority control, by reducing their prior knowledge of proposals, particularly over physical development may not be a valid basis for co-ordination of forward planning and development.

(iv) TECHNICAL GUIDANCE: POPULATION PROJECTIONS.

The Scottish Development Department (S.D.D.) provides local authority departments with a variety of technical 'inputs' : building programme (housing, roads), sanction; specific standards for buildings, environment etc. ; guidance for planning procedures e.g. development plan preparation, development control. Perhaps the most significant data problem facing planning authorities in the N.E. at present is that of population projections. Until recently local and central authorities assumed a continually declining rural and urban population through outmigration, the only major changes being in a spatial sense e.g. outward movement from Aberdeen City to the Suburban area. The Gaskin Report (1969), being the only published socio-economic document for the Region, confirmed this, but forecasts made on these assumptions are no longer valid as local authorities are only now beginning to realise. The upward economic trends, both in pre- and post-oil era, have seen concomitant reversals in the population figures.

Until the awaited publication of the 1971 Census, local authorities (Aberdeen City and County) have had to make provisional population projections, but again these were previous to the oil phase and former plans e.g. Deer District will have to be revised. The inadequacies of an up-to-date data base have been demonstrated by the attempts of the Regional Planning Adviser to prepare some estimate of housing need in the N.E. S.D.D. (1972) have prepared revised population projections for all local planning authorities in Scotland, based on the Registrar General's 1970 mid-year estimates; but figures for Aberdeen District have already been superseded:

<u>S.D.D. forecasts (1972)</u>		<u>Registrar General Estimates</u>
		(<u>mid-year</u>)
1970		
(mid-year estimates)	218,500	
1971 projected	219,100	221,600
1976 projected	220,200	
1981 projected	223,000	

This has been further confirmed by the Census figures, which although not disaggregated to this level, at the Regional level figures do show considerable increase from S.D.D. forecasts. Clearly conditions have changed further at the local level through

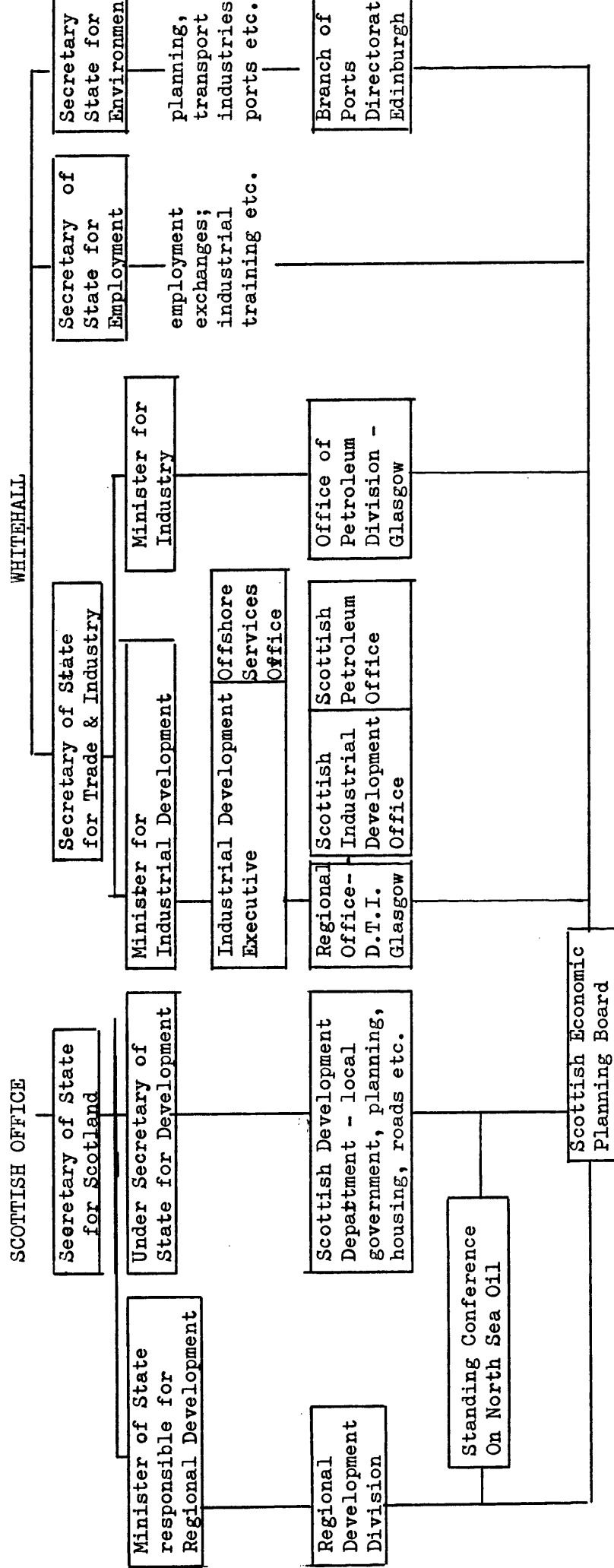
employment generated by the oil industry.

While population projections are contentious exercises, local authorities donot have the time or expertise in these directions, and thus S.D.D. may have to consider further both the estimated and planned population levels which the N.E. Region and particularly Aberdeen District will have to cope with. Time lags in the preparation stage are inevitable, but since decisions have to be made in a situation of ongoing change, as reliable forward projections as possible will be required, which points the critical role of the technical inputs from Central Government.

In conclusion, some change in a superficial sense has been generated in only a few areas of Central Government activity. Certain decisions have been made, frequently much delayed, in face of extreme political pressure. Whether changes have been in the right direction or have been sufficient is another issue of debate. Several new committees have been set up, though frequently this has involved only minor reorganisation and reallocation of staffs within an overall unchanged framework. Greater confirmation of real change would have been illustrated by more radical reorientation of attitudinal and staff elements, something which does not appear to have been generated in certain areas of Government. The balance of attention of Government has been principally towards offshore developments rather than landward, leaving local planning authorities very much to their own initiative in this sphere. In face of limited or outdated directives and policy guidelines from the centre, some of the pressures of oil developments on local authorities may themselves be generated by these facilities.

An examination of the very changes in local planning activity, policy, and the causal relations will thus serve as a comparative case.

FIG. 2 : ORGANISATION OF MAIN CENTRAL GOVERNMENT DEPARTMENTS, AGENCIES, INVOLVED IN OIL DEVELOPMENT.



(Source; based on 'Scotsman', Oil Register, 20th March, 1973)

Lack of change within explicitly stated policy, does not suggest that change in other directions has not been effected. This may be expressed through more implicit shifts in balance of power, control and interest of various Government departments and general institutional development which is summarised below:

- (a) North Sea Oil Development Committee: a special sub-committee of the Scottish Economic Planning Board (which itself considers all aspects of Scottish economic development including infrastructure, planning etc.) was announced by George Younger (11/1/73): "set up to coordinate development of infrastructure and provide advice and assistance to local authorities in technical aspects of oil-related developments."

(S.C.N.S.O. (73) (i) para 8).

While the need for such a committee was obvious, for coordinating economic and physical planning, this does not satisfy certain demands which may be met by an Oil Development Corporation for example.

- (b) New Scottish Petroleum Office to be set up in Glasgow as part of the Scottish Industrial Development Office, which will service the new Offshore Supplies Office aimed at facilitating and promoting development of offshore supply industry. The latter follows as a response to recommendations of I.M.E.G. Report -(published 14/1/73).

- (c) D.T.I. Petroleum Division: A branch set up in Glasgow to deal with oil policy, licensing and regulation. There has been criticism though that the whole Division should have been moved North from London. This body is to work in closest cooperation with Scottish Office through the Scottish Economic Planning Board and the Standing Conference.

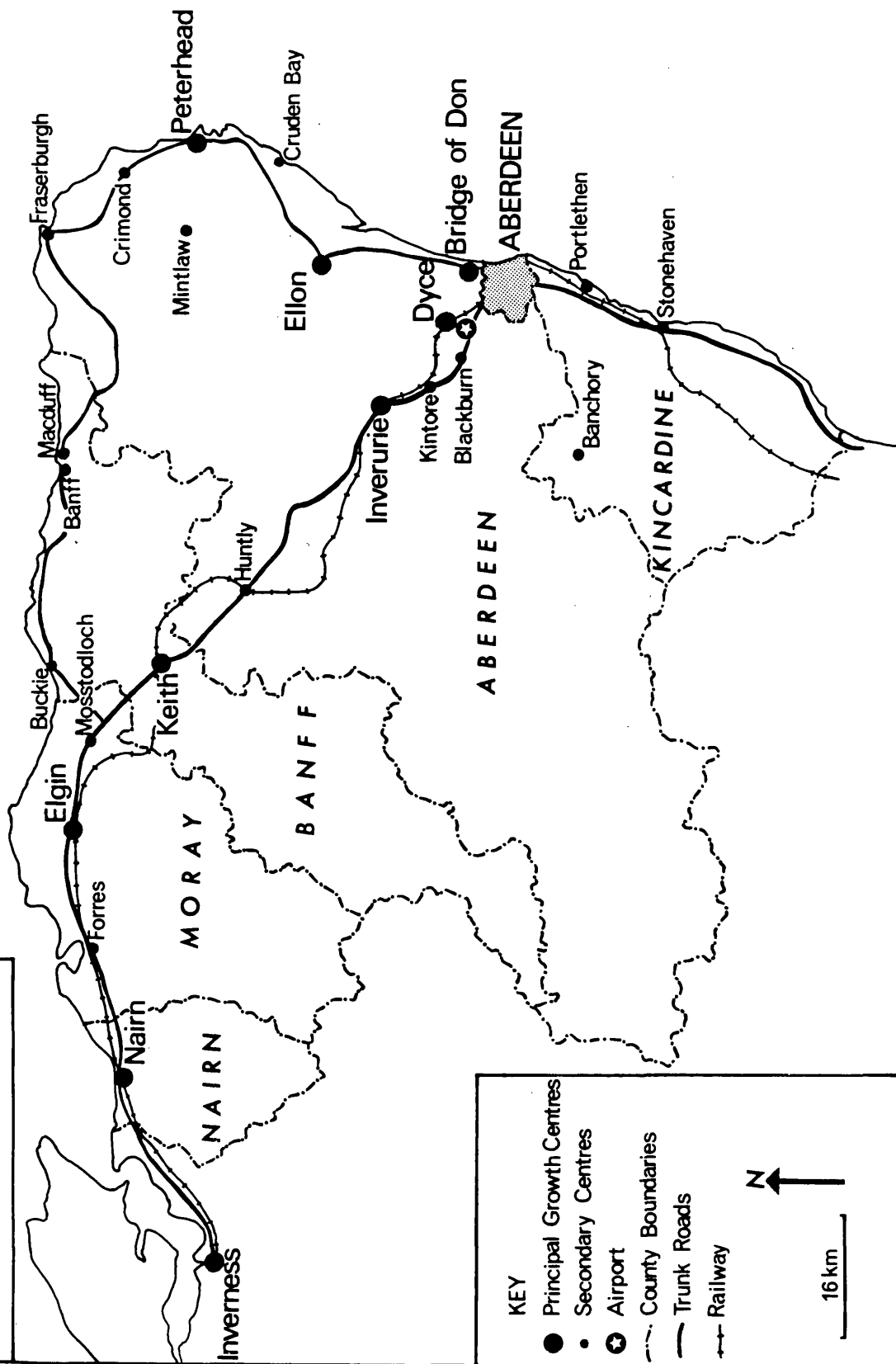
- (d) Branch of Ports Directorate of D.O.E. set up in Edinburgh, which through the Scottish Office, and National Ports Council and then forward advice to Scottish harbour authorities or others concerned with ports developments.

- (e) Standing Conference on North Sea Oil (S.C.N.S.O.) serviced by R.D.D. set up in February 1972; this is purely a coordinating body with an advisory function to local authorities.

The relations of these various new committees and agencies within the Corpus of Central Government is illustrated in Fig. 2.

fig.3

NORTH EAST SCOTLAND



While various Departments of local authorities have been influenced by the competing demands described previously, it is the local planning authorities which act as intermediaries in the process of allocation of land resources. They are statutorily required under the Town and Country Planning Acts to operate the Development Plan system, the process by which land is specified diagrammatically for specific uses and development purposes. The Development Plans for the 5 Authorities were approved by the Secretary of State as shown in Table 7, dates of preparation, submission and final approval varying greatly, in some cases due to the particular pressures for a statutory Plan.

TABLE 7 : DEVELOPMENT PLANS

	<u>PLAN APPROVED</u>	<u>REVIEW</u>	<u>AMENDMENTS</u>
Aberdeen County	20.12.62		22
Aberdeen City	1. 5.58		19
Banff County	30. 4.70		-
Kincardine County	31. 3.64		3
Moray-Nairn	20. 7.62	1971	34

(Source: adapted from S.D.D. Evidence to Select Committee on Scottish Affairs: 503 - ii July 1971).

The time scale of preparation - approval vis à vis the present day situation provides an interesting perspective and will be examined in due course. Moray and Nairn, is the only authority to prepare a Quinquennial Review, the validity of which is questionable in the radically altered conditions of the past year. It could be suggested that the number of amendments to the Development Plans may be as much an indication of failure in respect of preparation of the Quinquennial Reviews; this may be so, but given the dynamism of planning activity at present, it could be suggested that any Development Plan would be outdated.

Some measure of the escalation of planning activity can be seen in the number of planning applications, local authorities have had to handle over the last 3-4 years, something mentioned previously in Chapter 2. (TABLE 8.)

TABLE 8: PLANNING APPLICATIONS 1969-72

<u>AUTHORITY</u>	<u>CLASS OF*</u> <u>DEVELOPMENT</u>	<u>TOTAL PLANNING APPLICATIONS</u> <u>DECIDED</u>			
		1969	1970	1971	1972
ABERDEEN CITY	1	-	219	306	692
	2	-	41	47	66
	3	-	72	84	118
	Total	-	715	748	1265
ABERDEEN COUNTY	1	590	703	785	1439
	2	50	36	57	61
	3	88	95	107	138
	Total	1512	1566	1686	2407
MORAY & NAIRN	1	193	208	211	383
	2	22	39	32	39
	3	80	74	88	92
	Total	531	533	509	781
BANFF	1	114	139	194	512
	2	28	14	19	22
	3	14	26	51	31
	Total	237	286	363	697

Notes:

Compiled from Returns made by Local Authorities to S.D.D.

Applications are for development only not change of use.

*Class of Development:

1 - Residential

2 - Industrial (Manufacturing)

3 - Commercial (excl. commercial plus residential)

Total - includes petrol filling stations, lock-up garages etc.

The influence of oil, at least only in Aberdeen City and County may perhaps be most notable over the last, at most two years, since the figures in general reflect the overall upswing in development in the N.E. in the early 1970's. The spectacular rise in residential applications is clearly a function of existing improvement grant schemes, consideration of which has absorbed a great amount of the time resources of planning departments over the last 2 years.

Change in the type of activity has necessitated some change in the mechanisms by which certain applications are handled. The very rise in numbers of applications has severely drained the resources of staff and time in local authorities, with the work load of Development Control sections being severe. Planning Committees have been similarly affected: the volume and complexity of applications on the agenda has strained their effectiveness and ease of operation. Aberdeen County Council Planning Committee (18/7/72) resolved to agree in future to convene extra meetings of the Committee where business was not completed at one sitting. A further suggestion was made by The County Planning Officer (8/9/72) that in light of ever increasing numbers of planning applications, a sub-committee be set up to deal with all but the most controversial of cases, but they resolved to continue under the present system. The complexity factor of certain applications, creates problems of Committee decision making. Griffiths (1966) pointed out that Committees tend to work on precedent in coming to decisions, but frequently present conditions are without precedent e.g. problems faced by Countryside Committee with gas terminal at Crimond. In view of limited guidance, local authorities and individuals are faced frequently with considerable dilemmas.

The change in balance of emphasis and activity towards Development Control, does not presuppose that this introduces a situation different from preceeding years. One of the major criticisms of certain local authorities has been their concern primarily with that of Development Control at the expense of issues of Development Plan policy. Frequently this was a reflection of internal policy and attitudes of certain individuals, or possibly the only alternative in a given situation. The case of Aberdeenshire reflects this, where after approval of the Development Plan, there followed a period of relative inactivity, with development control emerging as the main interest. The appointment of a new C.P.O. led to attempts in the late 1960's to formulate a 'regional' strategy, but the political inacceptability meant that interest reverted to-day-to-day local

planning issues.

A further question associated with the problem of handling increasing numbers of applications is the matter of procedural change. Severe development pressure in Aberdeen City and County, has frequently brought up contradictions to Development Plan zoning or policy statements. The procedure by which contraventions to the Statutory Development Plan are handled, and by which amendments are made, is a lengthy and costly one, involving inevitably public enquiry procedure. The need to obviate and minimise delay in handling and decision making, has perhaps encouraged greater use of Article 8 (Direction) procedure when dealing with minor amendments to the Development Plan. There are dangers in this though: proposals for a private housing development at Westhills were made to Aberdeen County in 1966, the application being forwarded to The Secretary of State using Art. 8 procedure. Initial proposals have subsequently radically expanded in scale, Westhills now being regarded as a 'Garden Suburb', with projected population of 7000+. The sale of land recently for private residential development reaching £20,000 per acre, reflecting the inflated demand at present for the private sector of the market. Thus repercussions have been considerable in the changed circumstances.

CHANGES IN POLICY AND ACTION

A more detailed examination is required of the operation of planning in the N.E. by each authority, especially considering the impact oil has had on policy and activity, taking 1970 as the year when offshore developments escalated.

1. ABERDEEN CITY

Planning activity during the 1960's was concerned primarily with central area renewal and provisions for housing, industry and infrastructure, as laid down in the Development Plan. Continued demand for housing, in particular, after the mid 1960's initiated the beginnings of land shortage within the City boundary. An associated problem was continued population loss and redistribution outwards to the suburbs estimated by Gaskin (1969) as 10,900 by 1976, due to : (a) central area redevelopment of outworn housing stock, while not on a large scale, meant lower replacement densities and lower occupancy rates, all of which increased the "overspill" situation; (b) the attraction of the suburbs.

Residential development therefore became extremely limited by space constraints leaving much to gap site development or to the County

Authorities beyond the boundary e.g. at Dyce and Bridge of Don. Industrial land was even more at a premium, though demand did not escalate as significantly until the late 1960's. The Development Plan recognised the need for more industrial land, though foresaw no extensive industrial development in Aberdeen; hence zoned land (205 acres) was rather scattered and small scale. The implementation of the Inner Ring Road scheme, was regarded as one of the most important proposals included in the Development Plan. Given the limitation of economic exigencies, there was a tendency though to concentrate on essential road improvements rather than major schemes.

Post 1970 planning activity has seen a continuance of established plans in addition to attempts to alleviate problems of land shortage. Firstly there was increased awareness of the need to concentrate on central area renewal, and the significance of certain functions in terms of the region's economy e.g. services, commerce, residential; Similarly the need to integrate such developments with infrastructural provisions became a prime criterion. 3 C.D.A. schemes are at present either operational or under final stages of decision; considerable changes are thus being effectuated in the central area of the City though perhaps not in the best directions.

Secondly over the past year, there has been a marked escalation of applications for commercial development (offices, shops, hotels) within the City and Suburbs, which reflects the increasingly active property market partly stimulated by oil developments. The City has been faced with 14 firm applications (6 approved) for major speculative office developments over the past year. Similarly hotel projects, 4 applications, one made jointly with an office development, are posing decision making problems for the Committee: a recent reversal of decision by the Council finally rejecting Pan-Am's £3million proposal for a hotel development at the Beach Links, is symptomatic of the dilemmas. The concern over dangers of overspeculation in commercial property, has been expressed by the Secretary of State who has called a halt to all commercial applications (November 1972) and will consider them personally. Certainly the need to consider more deeply the implications of development is vital. The suggestions for hypermarket development in the suburban area is but one further example. Yet a survey of shopping provision and needs has yet to be fulfilled, since financial constraints, which excluded the use of Consultants, and the greater limitation

of staff and lack of general initiative have induced a situation where there is no positive policy for such development. The need for revision of all policy elements, in view of the changing socio-economic functions and environment of the City is obvious, but there is little evidence of its instigation from within.

More important are the proposals to alleviate land shortage within the City, by increasing the amount of zoned and developable land. Consideration of extensions to the boundary was made in the late 1960's e.g. Sheddocksley 1967-8. The problems of the periphery of the City are physical ones of altitude and exposure (500 feet plus), particularly limiting to the south. The Sheddocksley Extension Order was confirmed in 1970. A further special amendment (Redmoss 1970) to accommodate the Michelin factory, was followed by a proposal to make a further major extension to this southern part of the City at Altens. The Secretary of State's decision on the public enquiry held, is meanwhile awaited; provision is for 1005 acres, of which 180 acres will be allocated for industry, the remainder for local authority housing and a country park. Decision constraints are not the only limiting factors on site development since servicing will not be available for at least one year following the decision.

These major proposals were initiated prior to any awareness of demands that oil and related developments would introduce. Demand for industrial, residential and commercial zoned land is now far in excess of provisions of even the extended area. The interest expressed by oil servicing companies in Altens for example, for back-up land and storage space has been excessive - the obvious strategic advantage of the locations vis à vis the harbour and external communications is clear. The Director of Planning commented recently in the "Surveyor" (26/1/72): "we have been outstripped by requirements of the oil industry. We could reallocate that land several times over." Until the recent economic expansion, the problem of industrial land has been one of comparative under subscription. Allocation decisions thus proved a non-issue since local authorities were concerned to attract any type of available mobile industry. They are now faced with problems of allocation and letting of industrial sites, for indigenous and exogenous industry both oil and non-oil related, the Town Council having admitted that a review in their policy has had to be made. Lord Provost Smith identified their problems:

"Do we for instance, make over the whole area to oil interests,

or do we allow a measure of local involvement? And if so, what should that measure of local involvement be?" (Press & Journal 20/11/72).

In the case of W. Tullos Industrial Estate for which a ceiling of 35 applicants for the limited 4 sites available, had to be made, allocation directives were stipulated by the City Assessor: primary thought should be given to oil companies requiring back-up areas; secondly to engineering and drilling companies; thirdly to service and supply firms. While no decision can be taken over the allocation at Altens, the demand of the oil industry will be difficult to turn down. Aberdeen City's prime problem has been one of land shortage; belated attempts to resolve this have proved insufficient in face of high demand at present. Similarly developments in the central area are suddenly proceeding at a considerable and apparent rate, and frequently unco-ordinated at the urban and regional level; This a general reflection of the narrowness of view and negative approach of the planning authority.

2. ABERDEEN COUNTY

Aberdeen County has been the most active county in planning terms, growth in the Aberdeen SubRegion and rural service centres have seen considerable expansion over the last few years. In part this was planned policy, though certain decisions have been made which may not be considered complementary to the regional strategy e.g. Westhills.

Throughout the 1960's, the major constraints on any development were due to social, economic and physical forces:

- (i) The high rate of population loss had favoured a policy of concentration of population, services, infrastructure and investment, primarily in the Aberdeen Suburban area, though secondly into major service centres (e.g. Inverurie, Dyce, Ellon). The other extreme - that of the declining rural communities, where a combination of policies and economic realities were accelerating stagnation.
- (ii) Concentration of growth within centres was favoured by The Gaskin Report (1969). While merely reinforcing existing patterns of development, it did serve to legitimate policy and acted as a basis for further plans. An added factor, the general economic climate of "stop-go", made planning of capital works programmes rather uncertain. Similarly industrial attraction was severely constrained by the low level of excess supply.

(iii) Major limitations in either the scale, location or timing of proposed developments imposed by physical constraints of water supply and drainage. The Regional water shortage during the 1960's, aggravated the position especially of housing provision, though lack of co-ordination between the Planning Department and the Water Board over certain developments perhaps worsened conditions of phasing.

Added to these physical and socio-economic constraints on planning, more political ones have operated between various Departments and Committees in the council. Attempts had been made by the County Planning Officer in the late 1960's through the Joint Planning Committee, to formulate exploratory **strategies** at the regional level, since until then, planning was relatively localised within each County boundary. The strategy aimed at following the Gaskin proposals though incorporating Peterhead and Fraserburgh, thus recognising the potential and primacy of the coastal belt. Political decisions and individual disagreements forced a stalemate with a reversion to the preexisting situation.

Overall therefore during the 1960's, planning activity was relatively static in spite of localised expansion within Aberdeen Suburban Area, making provision for outward movement from Aberdeen.

Post-1970, the following factors caused some degree of reversal of the above situation:

- (i) The upswing in the local economy, again especially in the Aberdeen Area, induced increasing demands for industrial and residential land;
- (ii) This in part was generated by the "overspill" situation from Aberdeen City where land shortage was extreme.
- (iii) Increased commuting distances, the attraction of "dormitory" settlements forcing up demand for residential land within the smaller rural burghs e.g. Inverurie, Kintore, Blackburn.
- (iv) Increased demand for infrastructural provision e.g. roads.
- (v) The slight improvement in the water situation as Schemes neared completion.

Policy therefore was based on the above 4 main areas of concern:

- (a) continued expansion of development in the Aberdeen Suburban area (Dyce, Bucksburn, Bridge of Don);
- (b) expansion of more strategic rural centres;

- (c) Dee Valley expansion, between Cults - Culter;
- (d) Peterhead now regarded as a growth centre.

Provisions within the Development Plan, itself considerably amended to make reasonable provision of industrial and residential land during the 1960's, were no longer sufficient and new areas had to be considered. During the 1970-71 period, there was an increasing awareness of the need to acquire and zone land for industry and housing, with Dyce being regarded as the most logical site. The 'inevitability' of this location, was conditioned by a series of events and decisions made in the early 1970's. In strategic planning terms the proposal to expand Bridge of Don (phase II) rather than Dyce for housing, was seen as a priority by the County Planning Officer. The decision by N.E.S.J.P.A.C., partly politically and personally motivated, partly due to cost restraints of construction of a new sewer, swung the balance in favour of Dyce. In retrospect, a decision by the Government to sanction capital to construct the new sewer to Persley, may cause revision of the Bridge of Don option, but commitments have been made at Dyce. A compulsory order has been issued, and a public enquiry over use of land east of the river is likely.

It was not until 1972 given the even greater demand for industrial land with Farburn Industrial Estate having been fully allocated at one session of the Planning Committee, that positive steps under the initiative of the C.P.O. and County Clerk, were made to acquire large areas of land at Dyce and Peterhead, using compulsory purchase powers. The Council decision was made 21/7/72, and submitted to the S.D.D. 7/11/72.

<u>TABLE 9</u>		<u>LAND ACQUISITIONS (1972)</u>				<u>DESIGNATION</u>
DYCE	:	North	-	155.59	-	Industry
		East	-	247.26	-	Housing
		West of Airport	-	286.89	-	Industry
PETERHEAD	:	Dale's Farm	-	127.74	-	Industry

The need for speed was paramount since the decision process while itself limiting is even further attenuated by very problems of site acquisition subsequent servicing etc. This was particularly so with handling planning applications as exemplified by the issuing of Article 8 (Direction) orders to enable the County to grant permission for the Damhead, (12/72) Whitehill and Meethill Farms site (2/73) application for which initial application was submitted in May 1972.

The limitations placed on "strategy" and priorities for industrial development though by servicing constraints, with the usual added financial ones, was implicit in proposals made to Planning Committee (3/11/72) by C.P.O. over the locations and phasing of advance factories within the County:

- PHASE I : DYCE Airport W.
Alford
- II : Peterhead - Mains of Blackhouse
Dyce - Pittmedden Road
- III : Dyce - Kirkhill

Problems of acquisition and servicing have been important factors over the last 2 - 3 years. Similarly further procedural problems of decision making has attenuated the delays.

Revision of plans was particularly constrained by the very uncertainty and difficulties of predicting events which were continually changing. The case of Peterhead and the Deer District is perhaps exemplary of this:

- (a) The pressure for large scale industrial and infrastructural development at Peterhead required some reconsideration of the Plan for Peterhead and its relative role and function within the County. The imminence of Change in the planning system and suggested the need to prepare a draft urban structure plan for the Burgh. Such was prepared and presented in August 1972, based on existing information, especially interests expressed by certain developers wishing to acquire land for oil rig servicing and supply purposes with additional harbour developments both to N. & S. of Harbour of Refuge and the proposal by N.S.H.E.B. for the power station at Boddam. The announcement by the Department of Agriculture of Secretary of State's intention to develop the Harbour itself through powers of The Harbour Bill, proposals not requiring planning consent as in the normal manner, thus undermined previous applications and plans. The local planning Authority thus faced a period of uncertainty and problems of positive control of events.

The Deer District in which Peterhead forms a major new growth point, is but another example. This area, the "knuckle" of Buchan was long seen as a real problem area, where decline rather than growth had to be "planned for", though not explicitly. The newly generated growth at Peterhead, led to the preparation of a Strategic Plan, based on a policy of concentration of

development in certain growth centres e.g. Peterhead, Mintlaw etc., which was submitted for consideration by Local Authorities and councils in May 1972, with decisions being given to the Committee in September 1972. The scale of growth envisaged was uncertain either in terms of population, economic development etc., which could create severe difficulties in terms of estimation of physical provision, all of which undermined the very bases of the original Plan. Hence at present Aberdeen County are having to urgently revise both these plans, particularly in view of revised population estimates (from S.D.D.). An amendment to Peterhead Town Map is being prepared to take account of the Government's and other proposals for the Harbour area.

In conclusion, the speed and number of events had created a situation whereby a form of "contingency planning" has had to be introduced. There has been a continued attempt to concentrate on local, day-to-day planning, with development control being the main problem. This has obviated the formulation of a broader strategy or policy framework within which local plans are to be fitted. Clearly in face of uncertainty and limited knowledge of the oil-generated needs this may not be very practical, but the requirement it has made in terms of hurried decision making may perhaps be minimised by some reference base for decisions. Oil has accelerated and accentuated problems which were developing in the 1960's, the particular physical constraints of water and sewerage capacity being reinforced under present conditions.

3. KINCARDINE COUNTY

Unlike some of the other authorities in the north east, it has had rather a limited share of development. High outward migration from this small prominently rural county, set within the background of more expansionary development to the north, has tended to reduce the scope and volume of planning activity. From the mid-1960's the accelerating problems of Aberdeen City, placed increased pressure in Kincardine for industrial and residential land. Most developments and expansion, within the statutory provisions of the Development Plan, were coastal, being concentrated on Stonehaven and Portlethen. This policy was reiterated in the Gaskin Report though the latter assigned only limited expansion to the County. The other major ongoing development, was infrastructural improvement of the main Aberdeen - Stonehaven road.

The rising demands in the 1970's for both industrial and housing

provision following the oil impact, particularly in more dispersed locations, accentuated the need to make provision within the County: Portlethen being seen as the main industrial area for development (60 acres made available), whereas the more distant Stonehaven fulfilling a commuter settlement function. While development of the rural area and settlements had been considered some time ago, the initiative was taken to reconsider previously suggested sites for residential development in the Dee Valley. A recent application for development of 3000 houses at Maryculter reflects the potential demand foreseen by the private sector; perhaps it is fortuitous for the District that such an area will remain with Kincardine - Deeside District (rather than Aberdeen District as initially proposed by Wheatley) under reorganisation. Whether this development, either in scale or location can be validated in regional terms, may be questioned, the local authority though obviously having very few alternatives since in face of the political and prestige elements which such a development embodies, it would make it difficult to ignore and reject.

4. MORAY AND NAIRN

While these two Counties form a Joint Planning Authority, there is a generally accepted twofold functional split, with Nairn being oriented more to the West and Inverness, whereas Elgin etc. is tied more with Aberdeen; the forthcoming reorganisation of local government recognised this "community of interest". Policy problems in the pre - 1970 period, reflect those of any rural county. Development was concentrated in major service centres of Elgin, Nairn, Forres, though in terms of industrial development, the area was clearly in considerable competition for scarce resources with more attractive areas to the south. The problem of the rural hinterland, particularly the area to the south of the County which is affiliated more with Speyside and Aviemore, has been a continuous one, though little has been done to try to maintain a consolidation or holding policy.

Factors of rising demand particularly for housing land in a few large centres and some rural communities necessitated some change in Development Plan provision. The Quinquennial Review submitted in 1971 proposed rezoning 125 acres for residential purposes in Elgin, though this has subsequently had to be extended. Demand for industrial land has been minimal by comparison with that of the Moray Firth and

Aberdeen. Planning policy thus regarded Elgin as the main industrial centre. Gaskin further confirmed Elgin's role which reinforced the policy of concentration by the local authority. It has subsequently been promoted as a "half-way house" location between the 2 oil centres and hopes of stimulating development are on this basis. Nairn is to be the major housing area, seen as a commuter settlement for Inverness. Forres and Fochabers are local industrial and service centres planned for limited expansion.

The third major element of policy wherein some initiative has been taken concerns the rural area. Firstly the question of the coastline and development in villages, where policy is to concentrate development in a few isolated centres rather than scattered development. Secondly, new housing development by the local authority itself has followed one of concentration in only a few centres e.g. Lhanbryde, Mosstodloch, though the validity of this given the overriding scale effect of developments may be questioned. Thirdly the Spey Valley area, where in cooperation with Banff County, has seen the promotion of a walkway route.

Overall therefore, the Counties have not initiated much development in part due to a general lack of opportunities which this area has been offered. The direct effects of oil have been minimal, though perhaps Nairn and Elgin may have benefited to some extent although local development bodies are attempting to promote such development. Perhaps Gaskin served to confirm policy directions for concentration already proved in the Elgin case.

5. BANFFSHIRE.

As with other rural counties in the N.E., policy has been one of maximisation of any available development. The problems are ones of physical isolation and the nature of the County, with a split between the more developed coastal periphery and the rapidly declining rural hinterland. Increased loss of labour from agriculture, together with an expanding yet more capital intensive distillery industry has accelerated the process of rural decline. Migration rates from the county are reflected in the following ^{population} figures, though no account is taken of inward movement or natural increase: TABLE 10

TABLE 10 MIGRATION FROM LANDWARD BURGHES

		Total Population
1951	-	50,148
1961	-	46,400
1971	-	43,385

(Source: County Planning Office).

Although tailing off they still represent considerable outward movement which such a small County cannot afford. The cause - effect relations are problematic, awareness of the need for greater examination of this problem is seen in N.E.S.D.A.'s commissioning a study and rural development programme using funds of the Development Commission, for parts of Banffshire (Speyside), pressure for such having come from the County for its promotion.

Rural policy though has been extremely limited in planning terms, concentration being principally on urban development, requiring some degree of control on isolated building, though, maintained in Keith, Banff - Macduff and Buckie. Perhaps the most important factor conditioning county planning policy over the last few years has been the proposal by N.S.H.E.B. to build a new power station (nuclear) at Stakeness, with an alternative for an oil-fired plant at Boddam (Aberdeenshire). In employment and development terms, this was regarded as a vital boost to the County. The decision though was made in favour of the latter, and subsequently the County has been at a loss over the future basis of development policy. It is unlikely to benefit much from North Sea oil, though a few new advance factory sites have been built with this aim. The promotion of the Town Development Scheme to attract housing and industry away from Aberdeen, using the promotional force of the attractiveness of the environment, will perhaps serve as an alternative framework. Overall the County has ^{not} initiated much not having had much opportunity to contribute to major economic and planning activity. The feeling of isolation from the mainstream of developments has generated the higher degree of self-interest which the County has tended to adopt.

CONCLUSIONS.

While planning activity would in the case of a few local authorities appear to have been greatly expanded, in policy terms, the changes have been rather limited. Neither has there been much attempt at either review of previous policies or premises, which subsumed earlier

plans; once expansion in certain locations has been approved, it becomes a self-justificatory-legitimatory process, rather than one of continued reconsideration under the changing input factor. Perhaps this is a failure of the Development Plans in general, though it maybe more one of how local authorities and individual officers have operated planning within their area. Clearly decisions are subject to numerous other influences - of other Departments' more powerful than planning, and of general political expediency, but the very legitimacy of the plans and policies prepared and adopted in certain cases even prior to the impact of oil, may be questioned. Certainly oil has served to pinpoint some of the failings and created inevitable planning problems.

Prior to considering these very problems, and the prospects for the future of the N.E., the background changes in local government, - organisational, institutional, structural - must be examined, for they underly many of the overall problems facing local planning authorities.

Although at a relatively early stage at the moment, certain proposed changes in the organisation and functional roles of local government in Scotland could have considerable potential impact on the areas affected, the scale though varying with the areas and individuals concerned. The significance of this in areas undergoing particular pressure on local government resources and organisation at present like the north-east, is more critical and problematic. Particularly it is in the time relations of decision-making where problems may arise.

Reforms within local government are three fold: (a) reorganisation of local government boundaries and functions; (b) reform of the planning system; (c) new management procedures and organisation.

(a) REORGANISATION OF LOCAL GOVERNMENT

The more recent proposals on local government in Scotland by the Wheatley Commission (1969) both in terms of spatial and functional structure, have been broadly accepted and incorporated in the Government White Paper on 'Reform of Local Government in Scotland' (Cmnd 4583, 1971) and the current Local Government (Scotland) Bill under consideration by Parliament. The major concern, in spite of the greater need for radical reform of the very bases of local government, has been with spatial boundary questions.

The definitional basis of the N.E. Region on which Wheatley based his regional boundary proposals, relates to various "community of interest" factors e.g. travel-to-work, shopping and educational patterns, recreational and leisure movements, lines of communication, all of which recognise the reality of socio-economic relations within the Region. Added to this was the fact that the North East is to some extent a more readily defined Region in terms of its physical isolation and socio-economic character, though the subjective element in this may be of questionable validity; the Region is further confirmed by overlapping administrative areas of various regional functions e.g. N.E. Economic Planning Region; N.E. Water Board, Police, Fire and Hospital Authorities etc.

The proposed Region thus defined by Wheatley comprises the Counties and City of Aberdeen; N. part of Kinca^dine; greater parts of Banff and Moray with the exclusion of Nairn. Briefly the reasons for exclusion or incorporation of areas are as follows: Southern and western areas of Moray - Banff are excluded because of their

"physical" affinity to the Highlands; Nairn is excluded because of "its close association with Inverness." This "community of interest" concept pervades throughout, and while recognising the dual nodality of Elgin and Aberdeen, these "city" regions are themselves well defined from Inverness and Angus. Moray is regarded as having closer ties with the N.E. than with the Highlands.

The Government White Paper (Cmnd. 4983) makes few Regional boundary changes from the above, the major departure being the inclusion of the whole of Kincardine, the simplistic reason given: "the whole of the County looks to Aberdeen as its regional centre and should therefore be included in the N.E. Region ." It should be pointed out that the area concerned presented a very strong lobby to Parliament promoting its inclusion, having mounted a costly public relations scheme, though the influence this exerted is conjectural. It is at the District Level that more significant changes have been made to Wheatley's proposals, in part a reflection of the Government's wish to enlarge the role of the District authorities. The number of Districts has been increased from four to five; minor boundary changes have been made to Donside District by splitting it effectively into Kincardine - Deeside and Donside; Donside now will incorporate Huntly which previously was part of Banff - Buchan. The *raison d'être* for this concerns possibly the political and economic viability of the Districts, though in planning terms the changes may be questioned.

Clearly there are implications of this concern with critical size and area relations in terms of financial viability at the Regional and District level. While uncertainties still exist as to the exact nature and allocation of functions e.g. housing, certain social services, it is in the field of finance that the future effectiveness of the system will lie. This remains unresolved, the Report on the Constitution by the Crowther Commission still being awaited. While some may argue that Scotland already has considerable devolved decision-making power in the form of the Secretary of State, there does not appear to be any willingness by the present Government to devolve further powers, especially of finance, to local government. The very remit given to Wheatley for example precluded any real examination of the meaning of democracy which perhaps prejudged the scope of the final proposals.

On this aspect of finance and more localised control, there are implications for the control and promotion of oil developments. Considerable political capital is being made over this question at

present by the Scottish National Party and the Scottish Labour Group. They readily criticise the Government for not maximising at an earlier stage the economic benefits from oil both to Britain and particularly to Scotland. Local authorities are powerless either in the executive or financial sense, to direct the scale of industrial and economic development within their areas other than in a promotional sense (e.g. as fulfilled by N.E.S.D.A.). The D.T.I. remains the controlling agency in offshore development and landward regional and industrial location policy, and there seems little attempt to decentralise much of the decision-making away from London. Reforms are by their very nature inadequate and outdated by time of their introduction. The impact of oil makes the present reforms even more questionable; whether proposed reforms will be adequate to meet the demands now being placed on it is uncertain, but given the unlikelihood of further change, perhaps the new systems success in control of the local environment and economy, will depend greatly on its operation by certain individuals in local government.

The debate over allocation of functions between Region and District, which has been a continuous one since Wheatley, perhaps reveals certain inadequacies in this sphere. The Government has recently resolved to reject the forceful demands of the four City Authorities in Scotland to remain all purpose authorities. The Region thus will retain the overriding powers, but the unlikelihood of Aberdeen District relinquishing much of its authority to the Regional body, could create conflicts of interest and a power struggle between the two, and co-ordination at all levels of local government activity (including planning) may be undermined. Much will depend on individuals concerned and Central Government initiative.

The two-tier system of Regional and District Authorities, provides a ready basis for allocation of planning functions reflecting the awareness of a need both for greater local democracy and participation, and more realistic planning control over the socio-economic and physical environment: (i) the Region, will command fundamental strategic planning for its area of control. The White Paper (Cmd. 4503) states: "this will not be merely land-use planning in the accepted sense, but will involve the formulation of an economic strategy for the region relating to patterns of settlement, the development of communications, and centres of population, and the use of resources, particularly land and finance. Regional Authorities should therefore also have responsibilities for transportation and roads, industrial development

and services ancillary to major planning." (para. 24).;

(ii) District Authorities should implement policy established by the strategic planning body through local plans, which themselves will deal with more localised, day-to-day problems of development control associated with the local environment.

The major problem facing all local authorities is that resources, particularly of staff are extremely limited, the Government thus proposing a more flexible approach. Whether all Districts will be allocated local planning functions will depend primarily on the area involved and the staff available, though clearly political factors may serve to "rationalise" such decisions. The multiplicity of developments do though bring into question the efficacy and validity of planning functions being allocated to the local District level; perhaps a unitary system of control may be preferential though this would undermine the rationale of public participation embodied in the new planning system.

(b) REFORM OF THE PLANNING SYSTEM

The Town and Country Planning (Scotland) Acts 1969 and 1972 specify the new planning procedures for Development Plans which the new Authorities will administer; it will be the function of the Region, to prepare the Structure Plan for N.E. Scotland. The Scottish Development Department have made approaches to local authorities (May 1972) via N.E.S.J.P.A.C. to consider and begin preparations towards implementing the new planning system. The Act and directional technical guidance (in Manual, and Advice Notes, Circulars etc.) though, only provide broad guidelines as to the content and framework of Development Plans; much of the procedural and analytical proposals will be left to regional authorities, and in the case of the N.E., the Regional Planning Unit and the Regional Planning Adviser.

Structure Plan preparation is problematic over four spheres:

- (i) the initiation and organisation of the administrative framework;
- (ii) the need for a new attitudinal elemental framework;
- (iii) the necessary policy and factual content;
- (iv) co-ordination with ongoing change in local government.

The first two are particularly important in the face of oil developments, since the implications for the future of planning in the N.E., can be drawn from the process by which events and decisions have transpired. Of particular influence has been the Regional

Planning Adviser and N.E.S.J.P.A.C. (the latter a product of Gaskin's recommendations for a co-ordinating body between the five local authorities). Delays have been both in fulfilling their remit to consider preparing a Regional Plan, and in the appointment of the Adviser. Similarly finally resolutions have been obtained over the need to: (a) make preparations towards formulating a Regional Structure Plan: (b) Set up a Regional Planning Unit with the aid of Aberdeen University and Local Authorities to carry out such work under the guidance of the Regional Planning Adviser.

The N.E. therefore once such work is instituted has perhaps an operational basis on which Structure Planning can begin. Perhaps the lack of any previous statutory Regional Plan is fortuitous in the present conditions. Since review would be necessary, although the existence of an adequate existing administrative machinery may have ameliorated the introduction of Structure Planning. One vital element will be new attitudinal approach which such a system requires; perhaps the dynamism of oil developments may serve to reinforce change on the conceptual plane. Much will depend on the co-operative element between local authorities, and the ability of the Regional Planning Adviser to legitimate and persuade them of the need for action at the regional level.

(c) NEW MANAGEMENT PROCEDURES AND ORGANISATION

One final element of change within local government at present is that of staffing and management. The transition period up to the full implementation of the new local government structure, and the reallocation of staffs which this implies, will be one of considerable uncertainty both for individuals and within the system itself. In terms of planning in the N.E., perhaps the allocation problem is not so critical, since it is the regional authority which will likely command existing dominating staffs (Aberdeen County). Decisions have yet to be made as to the number and location of local planning staffs e.g. in Elgin, Peterhead, Stonehaven; stipulations have been made by Staff Associations that future transfer and appointments will be confined to within existing resources. Perhaps it is in the 'vertical' movement sense of certain staff at higher "echelons" of planning structure that problems lie. The instability of position of certain chief officers cannot be regarded as beneficial to the general operation of planning at present.

When this is reinforced by the state of 'limbo' of the present transitional period in local government, the tendency has been therefore to avoid policy and strategic planning issue. As with Aberdeen County in the period of recent transfer of chief officials, and with smaller authorities e.g. Banff or Kincardine, who realise their role under reorganisation may be undermined by the Region. The staffing issue though should perhaps revolve round quality rather than number 'per se', and it is here that considerable new 'inputs' will be required.

Planning is but one policy element of local government, and the need for greater co-ordination, and management of policy decision-making has long been recognised. The problems implicit in setting up the Regional Planning Unit reinforces this need. As yet no fixed proposals have been made by Central Government sources though a Committee, chaired by I.V. Paterson, is at present considering the topic in Scotland. The White Paper (Cmd. 4583), suggested while recognising the need for good management that the question of internal organisation will be a matter for each local authority, which should set up a working party on management prior to reorganisation. In reality, local authorities have been slow in this event, and perhaps opportunities for greater co-ordination at an early stage with other changes in local government, have been lost. It is unlikely that the management system proposed by the Paterson Committee will differ radically from the corporate central policy making approach and structure recently adopted by the Bains Committee (1972) in England and Wales; clearly some modifications to meet specific regional demands e.g. Strathclyde, will have to be made, but overall departures seem unlikely.

In conclusion, change within the local government system is progressing at all scales and with varying rates of progress, varying from operationalised states to the very embryonic. This background of change in organisational terms, is the setting against and within which oil developments have to be examined and interrelated. Perhaps it is the factor of timing rather than the changes themselves which is critical; similarly the added uncertainties of such a period further intensifies the problems.

The planning process has thus been subjected to varying demands, changes, pressures etc. over the past few years. Oil while responsible directly for certain problems which planning authorities have had to face, indirectly it has served either to expose or accelerate issues which perhaps had some degree of inevitability of occurrence through time, given the very inadequate, inefficient operations of planning in certain areas of the N.E. in pre- post- oil era. But there are dangers of cause-effect arguments in such a situation: oil can too readily be used as a legitimating factor or "raison d'etre". For purposes of organisation, analysis of the very planning issues and problems facing the N.E. has been broken down to take account of the local and regional levels of impact. This is not to imply that neither are mutually exclusive of one another since each is very much a function of the other; neither does it exclude consideration of Central Government, for implications for policy and action will be brought out.

I. LOCAL LEVEL

1. LAND AVAILABILITY

Perhaps one of the most immediate issues which local authorities and those interested in initiating industrial and residential development within the N.E. have been faced with has been the question of land availability. The problem, specific to only certain local authorities (e.g. Aberdeen City and County), and has encompassed 2 major elements: firstly, real land shortage within the local authority area; secondly the more general problems of availability of zoned land, demand being area and type specific (e.g. industrial and housing demand in Aberdeen Sub Region) and has created a situation of shortage since the late 1960's.

The causal factors, which oil has reinforced, revolve round the following issues:

(a) Severe constraints on expansion and development imposed by existing boundaries.

The N.E.S.J.P.A.C. Housing Report (1972) on the Aberdeen Area comments:

"Within the City of Aberdeen the major planning problem which became evident during 1960's, was the shortage of land for development. The problem was caused largely by the tightly drawn boundaries around the City." (para. 6).

The question of boundaries and co-operation are mutually related. Aberdeen has been increasingly forced to rely on neighbouring authorities of Aberdeen County and Kincardine to take "overspill" (industry, population) away from the already overcapacity City. The undermining of political prestige, particularly in the face of important developments at present, merely due to severe physical limitations is an important factor in local government politics, something which will be considered at a later point, when discussion of problems of co-ordination of planning at regional level is made. Mention though should be made of local government reform; boundary proposals aim at creating a spatially more extensive Aberdeen District (increased from 20 to 75 square miles) with a population approximating 206,000, which may perhaps alleviate certain problems of land shortages though this does not solve the immediacy of the present problem.

(b) The limitations in terms of zoning of the Development Plan system - on which more extensive examination will be made in due course.

(c) Servicing constraints: the rate, scale, location and allocation of land for development by Local authorities in Development Plans, has been greatly conditioned by the availability and cost of public utility services - water and drainage. Site servicing has been a major constraint on provision of industry and housing land in the Aberdeen Area : the situation of extreme constraint of the mid-to late 1960's, which was alleviated to some extent as sections of the Regional Water Scheme neared completion, is now with local authorities (especially Aberdeen County) once again given the high demand situation at present. The very areas of highest demand and pressure for development, have been those with most severe servicing restraints. Local authorities are conditioned, rightly or wrongly, in terms of phasing and scale of developments and thus allocation of land by these very limitations of water availability and sewerage capacity. Ellon for example was developed prior to Inverurie, thus contrary to Gaskin proposals, primarily because of the factor of availability of water at the former (in addition to favourable opinion within the Planning Committee).

The overriding constraint is the obvious financial one, by which Local Authorities are bound; whether decisions on major elements of planning strategy should either be limited by ones of cost and critical phasing and availability of services is an important one. The role of Central Government in this direction may be required. The critical need for immediate and increasingly continuous investment for infrastructural provision, such as improvements to

principal routes, and other capital works programmes, acquisition of industrial land etc. has been expressed recently to the Scottish Office, both by local planning officers and by the Regional Planning Adviser (Industrial Sites Report, 1973). This reinforces recommendations made by Gaskin (1969), though clearly these were made in a situation of far greater economic stringency and lower demand than at present. Obviously the N.E. Authorities are competing for scarce resources in intra- and inter- regional sense, but perhaps the timing and scale of capital inflow from public sources, may condition to some extent the rate at which the area benefits from North Sea oil developments.

(d) Acquisition and release of land or property, is yet another factor which influences the time scale over which land is made available for development. While policy is generally to allow relatively free operation of land and property markets, the intervention of the statutory planning system to alleviate imbalances in market forces gives Local Authorities some powers of control over the land problem. Local Authorities though have generally been unwilling both to make adequate allocation of land for possible future development (in part through financial stringency) and to utilise the powers of compulsory purchase afforded under the Planning Acts, preference being for negotiation, except in particular situations of C.D.A. proposals, re-zoning, route alignments etc. The more recent, rapidly formulated initiative by Aberdeen County (under direction of the County Clerk and County Planning Officer) to acquire, both by negotiation and compulsory purchase large areas of land for future industrial and residential use, was adopted perhaps as a necessary procedure given the need for speed of action. Acquisition is both a costly and time consuming process for local authorities, especially when enquiry procedures have to be entered into. The delays associated with the Altens Extension to Aberdeen City, reflects the time scale over which the procedure of decision making is spread. The Extension Order to the City boundary was submitted to Scottish Office in 1970; a subsequent public enquiry was held in June 1972, and the Secretary of State's decision is as yet awaited. Thus the availability of land for industry and housing remains constrained by the delays in the administrative - negotiatory process.

(e) The general operation of the land and property market may impose overall limitations on the supply - demand balance. Mention was made in Chapter 2 of the increasing interest of developers in larger areas of land, frequently for speculative developments. Perhaps the case

of Westhill reflects certain problems local authorities have had to face due to the operation of the land and property markets. Although initial development proposals were in excess of demand in the mid-1960's, release of land by the original property holding Company (Ashdale Land and Property Co.) for sale in 1972, at the very peak of demand and land shortage, stimulated some of the highest land prices obtained in N.E. Scotland. Thus Westhill has of necessity become a sizeable prestige private development (population projected: 7000) and while providing much needed housing in the private sector, in terms of regional and local planning strategy it should never have been realised. Demands on planning starfs time and resources and for added public service provisions (at public expense) may not have been too problematic, but when seen in the present pressured situation it, the scheme is not looked on too favourably.

The dangers similarly of the ephemerality of oil related developments is something which local authorities must be aware of. The example of the operation of the property market in Aberdeen Harbour area serves as a case in point. Certain firms (e.g. timber merchants, haulage contractors, small engineering), established in the harbour area through inertia factors, have, because of outworn buildings, changing transport needs, and expansion etc., given the favourable property market, been encouraged to move out to peripheral locations e.g. industrial estates. Developers have moved in, leasing property to oil and related service companies for office accommodation or storage space, some of this on to speculative basis though. While relocation of business is valid in face of changing economic and technical conditions, the dangers of bias towards one sector of the economy with undue regard for others (e.g. fishing industry) must be recognised. Certainly this is one area where Aberdeen City should be examining and making detailed planning proposals for future development and land usage.

2. LAND USE CONFLICTS

Several points illustrated above, subsume some of the wider issues of land use conflict, which have had to be resolved. Over certain issues, where a public enquiry has been required, the final sanction comes from the Secretary of State, though in general, resolution of conflicts, e.g. between private and public interest, rural and urban communities, oil or established industry, or inter-authority, etc., remains a matter for local discretion. In certain situations this may be acceptable, but the particular

conditions in the N.E. at present, are not very favourable, the significance of particular 'ad hoc' decisions being made to resolve conflict, may be severely influential for the socio-economic impact over the short and long term. Mention was made earlier of problems facing local authorities over allocation of industrial sites - themselves seen by local authorities as the most important element in industrial attraction (Andrew Cowe, 1972) - the question of balance between oil and non-oil industry which this presupposes, has clear implications for the local and regional economy. Similar problems of conflict and allocation of land which raises underlying social issues, concerns that of Old Torry Village in Aberdeen. Whether or not, the village was worthy of preservation as originally intended is not the point at issue. The very factor that a situation of extreme conflict arose, necessitating a lengthy public enquiry, to legitimate a decision which had considerable inevitability, is perhaps more serious.

Land use conflict arising from oil, while specific to certain issues, is also spatially restricted to particular areas and Counties, Aberdeen county being the most prominently affected e.g. at Dyce, Bridge of Don, Peterhead, Crimond, Westhill, which makes the operation of planning very difficult - something which local government reform may not resolve, since conflicts are likely to persist.

3. DEVELOPMENT PLAN SYSTEM.

Change has thus been multivarious, and not wholly within the control of either local or central planning authorities. The major element of control at the local level is the Development Plan and it is problems associated with either its nature, scope or operation by individual local authorities, that underlie several of the issues which have arisen. Some of the criticisms are not new, P.A.G. (1965) having stated officially the need for reform of the planning system; the legislation in the 1969 and 1972 Town and Country Planning (Scotland) Acts, does lay the way to a new planning approach, though it has yet to be operationalised in Scotland. Until then, local planning authorities have to struggle to maintain present Development Plans which are increasingly inappropriate in recent conditions. Few local authorities have ^{met} the requirements for review of plans and policy, e.g. Moray and Nairn (1971), in spite of its recent publication it is likely to be outdated by the time it is finally approved. Similarly changes in procedure approach and attitudes

to facilitate transfer to structure planning, appear to be limited to a few local authorities. Here the problems of staff time and resources are clear. Pressure of the daily workload, especially for Development Control, precludes allocation of time to prepare policy statements or objectives. This is also a function of size and quality of planning staffs, and given the added factor of local government reform with major strategic planning at the regional level, the Districts (though not all) carrying out local planning, it is not surprising that certain smaller local planning authorities have been quite content to await with consequent inactivity, the 'magical' date of 1975.

Some of the major criticisms of the Development Plan System as it is operating both under normal conditions, but accentuated even more by pressures of the oil development are outlined below:

- (i) Development Plans are essentially negative instruments of policy and control subject to the overall operation of private and to some extent public interests in initiating much of development. This is perhaps induced by rigidly defined zonation of land uses, which tend to adopt rather static functions and are inflexible in operation. It is not surprising therefore that Development Plans have become readily superseded by events though this is not to presuppose their adequacy in a pre-oil situation. While certain features of old Plans are themselves rather restrictive, it is perhaps the operation of them to which criticism is most readily applied. This does not necessarily negate their overall validity or purpose. Control over development is an essential mechanism: the dangers of totally uncontrolled development in either physical or socio-economic spheres, in areas affected by oil are readily seen. Houston (Texas) for example provides at the other extreme a ready comparison of the negative effects which oil can generate ('Scotsman' 24/1/'73: Report on N.E. Development Office's visit to U.S.A.)
- (ii) Criticism of the operation of planning by local authorities is on 2 fronts: firstly the lack of policy; secondly, concentration on local planning. Local planning authorities, due to circumstances of time, expediency and committee politics, have tended to dispense with formulation of broader strategies, and concentrated instead on local planning activity, which in the regional view has produced rather unco-ordinated planning.

The pressures of speed and scale of events in the last 2-3 years, have forced a series of 'ad hoc' decisions by local authorities, frequently on no policy bases; similarly any plans which have had to be formulated, have been on a "contingency planning" arrangement. Could there have been alternatives and would the existence of any formulated strategy have produced any different a situation? Perhaps the conclusion is negative, but it is disturbing that action is proceeding, decisions being made, without due regard to either their consequences or consideration of alternative processes or solutions being made.

(iii) Again the question of time enters the argument: while to some extent there is awareness of need to speed up decision process at both local and central levels, S.D.D. already having made attempts in this direction, again in face of extreme criticism, the very volume of activity, not necessarily oil related is acting as a major constraint. Conversely the dangers of over rapid decision making are clear, and perhaps a cautionary, slow moving approach may in the long run be more beneficial to the region. The very statutory requirements which are the basis of the Development Plan System, in particular the provisions made for public objection etc. make delays inevitable. While public awareness and ability to enter and influence the decision process is to be regarded as the basis of the planning process, it is perhaps conjectural whether it can operate that effectively at present given the very provisions in legislation, and the very nature of extreme uncertainties which developments embody. Specific cases too may generate a situation where only minority interests are mobilised though the consequences may be all-pervading.

(iv) Uncertainty and inadequate information have been the major polemics of local and central authorities, which poses particular questions as to the position of the public in this process. In the recent case of Crimond, the fortuitous delay in Gas Council - Total Oil's handling of the issue, increased the time scale within which the Countryside Committee of Aberdeen County and individuals in the N.E. could consider the issue. The volume of public opposition which has arisen reflecting the concern over possible environmental damage, thus having been expanded.

4. CONFLICTS OF ORGANISATION OF LOCAL AUTHORITIES VERSUS OIL INDUSTRY.

Perhaps a little mentioned though influential pervasive element, that of organisation of the oil industry vis à vis that of local govern-

ment, is worth introducing here, since it links with both the issue of decision making and associated time scale of events. Oil companies are both multinational and vertical in their administrative organisation; local authorities by comparison have no executive powers, nor will they under conditions of reorganisation given present proposals in the Local Government (Scotland) Bill (1972) though the Crowther Commission's Report on the constitution is awaited. Organisation is one contrast, but it subsumes another - the speed of decision making. Oil companies operate over limited time scales, expecting immediate action and decisions; conversely administrators given the bureaucratic procedure of decision-taking, are rather guarded in their approach, and frequently are unwilling to take "short cuts" in a procedural sense. This is in part a reflection of the power structure within Local Government, which is strictly defined.

This has generated suggestions of a more comparable organisational framework for central and local government, such as an Oil Development Corporation or Regional Development Authorities (on lines of H.I.D.B.). These would have considerably greater powers of finance and decision making, which could control development more locally and thus obtain greater benefits; though this would clearly be unacceptable to the present Government.

II REGIONAL LEVEL

1. At the regional level, the overriding problem has been the very lack of a coordinated regional view, within planning authorities. This does not presuppose that there is a lack of possible acceptance of such an idea; rather it is the political expediency such co-ordination would require and the very inadequacy of the existing mechanisms (N.E.S.J.P.A.C. and Joint Central and Local Government Working Parties) which makes it unpopular. Recently increased pace and pressure of development, added to that from S.D.D., have stimulated attempts by certain individuals to promote change, both in organisation and thinking. Perhaps an examination of the history and activity of N.E.S.J.P.A.C. (North East Scotland Joint Planning Advisory Committee) may serve to illustrate the problems and inadequacies at the regional level.

Gaskin made the stipulation that implementation of the proposals in his Report (1969) would require considerable co-operation between local authorities concerned. This was in part to be achieved by setting up under the 1947 Town and Country Planning Acts in 1970,

3 regional bodies with specific functions: N.E.S.D.A. (industry): N.E.S.J.P.A.C.(planning): N.E. Tourist Board; the servicing authorities being Aberdeen County, Aberdeen City, and Moray - Nairn respectively,, with the former 2 having considerable responsibility in the N.E. N.E.S.D.A. replaced the N.E. Development Committee, and N.E.S.J.P.A.C. replaced the former N.E. Joint Planning Committee (between only 3 authorities of Aberdeen City and County and Kincardine), the latter having very limited effectiveness.

N.E.S.J.P.A.C., essentially a co-ordinating body with no statutory or executive powers, was given a main task of considering preparation of a Regional Plan for the N.E., from early 1971, though the delay in appointing a Regional Planning Adviser (March 1972) meant that until then N.E.S.J.P.A.C. functioned merely as a "paper" body with few real valid decisions being made. Yet during that period, the pace of developments was accelerating, and the "seeds" of major developments were being sown. The role of the Regional Planning Adviser was seen primarily by local authorities, as a co-ordinating one, for instance in examining the problems and interrelations between Development Plans. One of the immediate requirements was the preparation of a Sub Regional Report on Housing in the Aberdeen Area (1972), to examine the likely demand for housing especially allowing for impact of oil.

The simplistic local authority view of the Regional Planning Adviser - as a coordinator, providing necessary information which could be fed into Development Plans and policy - remained, as seen by continued insistence by certain members for appraisal and report on the demand and supply of industrial sites in the N.E. Again, although proposals to set up a "land bank" of industrial sites on a regional basis, was a difficult one for local authorities to rationalise since it implied certain reduction in their powers of industrial allocation, it was approved. The demand for the Industrial Sites Report though was a strategic counter to an attempt by the Regional Planning Adviser to obtain the Committee's agreement (9/10/72) on an even more politically unpopular matter, though significant in planning terms, the need to prepare a regional report, as a basis for a proposed regional structure plan, by a newly formed Regional Planning Unit. The decision process involved considerable tactical and political interplay between the various parties, being protracted over several Committee and Working Party Meetings. A final favourable decision being given in January 1973. The constant

fear of local authorities and certain individuals power base being undermined by the higher order regional body was clearly evident.

In conclusion N.E.S.J.P.A.C. has been concerned primarily with physical planning factors e.g. infrastructure, industrial sites, Local Authorities, even if they are aware of need for coOrdinated view of economic, physical and social planning, are still faced by the political constraints for self-justification and maximisation of individual benefits. An overt concern with immediate limits of boundaries, has reduced awareness for co-ordination between authorities, and resentment has existed between Aberdeen City and neighbours on which the former has had to rely for "overspill". The imminence of Local Government reform, and the uncertainties of oil, will until 1975 create a situation of self-interest. N.E.S.J.P.A.C. has not succeeded in breaking down the barriers nor in changing attitudes. As Amos (1972) commented recently on management problems of new authorities: "it cannot be denied that authorities are sometimes only willing to become members of joint bodies, because they know that they retain executive power, and therefore they can refrain from implementing any distasteful proposal of the joint body." The publication of the Housing and Industry Reports (1972), and (1973), being seen as ends themselves, will no doubt be adopted into plans by local authorities as final solutions and targets for development. The alternative is that individual freedom may be felt to be undermined or threatened as happened with the Gaskin Report and more recently the Housing Report. Such action could defeat the real "ethos" and function such Reports are intended to fulfill - What then are the prospects for the region in planning terms? Clearly the role and legitimacy of the Regional Planning Adviser and future "Regional" Planning Officer will be critical.

2. The formulation of an adequate organisational environment at local and regional level, which regional planning can begin to operate is of vital importance. Similarly the content element of future regional plans, strategies and structure plans, is equally vital, and it is in this sphere that the relation of local and central Government, and the balance and co-ordination between economic and physical planning needs to be examined.

Change in policy has been restricted at the regional level: Gaskin is no longer acceptable though, since the socio-economic input

and the overall strategy have been superseded. Growth itself was unprecedented and oil now reorienting interest toward the coast, and some review of the situation is required. Yet local authorities (at least those favoured by the proposals) have readily accepted the Gaskin's proposals and incorporated them into their plans without attempting to question them over time. Perhaps only the recently formed mechanisms for co-ordination and potential formulation of policy (N.E.S.J.P.A.C.) was in part responsible for the lack of review and forward thinking. The slow awareness of the progress of developments over the last 3 years, is reflected in a recent comment by the City's Director of Planning ("Surveyor", 26/1/73):

"We really began to appreciate what was going to happen a year ago, though even as recently as six months ago, actual requirements weren't very specific."

Limitations in knowledge therefore have been considerable, and thus the foundations for any policy formulation or change would appear to be rather tentative.

Concentration has been overtly on physical planning at the local level, accepting the overall economic framework of growth centre strategy which Gaskin proposed. Given the constraints of both the scope of New Structure plans as defined in the Town & Country Planning (Scot.) Act 1972 (particularly when seen operationalised in England) and the proposals of Local Government Bill (1972), it would appear that immediate regional control will be confined to the physical planning sphere, though clearly taking cognisance of economic and neighbouring regions' plans. This does not presuppose the need to be unaware of the socio-economic implications of physical land use planning. This is what local authorities have at present failed to conceive of; particularly now for the sum total of 'ad hoc' decisions made, will in spite of the growth impetus to the Region, create more "backwash effects" (Myrdal 1958) than would otherwise have been expected. Similarly the dangers of assuming a self-promoting role for the whole region, which in effect the reality of operation of both Regional and structure plans, may not be justified in a national context. This further promotes the need for a national economic and physical strategy, with more explicit resolution of objectives and goals on a regional basis - something recommended by the recent Select Committee Report on "Land Resource Use in Scotland" (1972). While recognising the forces of political expediency and influence over competition for or allocation of scarce

resources this should be couched within some rationale or policy planning framework.

To return to the very issues and problems ("backwash effects") which may arise in the North East, of which local authorities must be aware and asking questions about:

(i) Firstly spatial and structural inequality in the Region:

The Aberdeen Sub-Region and perhaps Peterhead will continue to exert considerable attractive forces for employment and populations, growth of the demands of the oil and related industry being concentrated locally. While a policy of concentration and expansion of urban growth is perhaps justified in economic, infrastructural terms etc., the effects both on the impact area and the rest of the Region may be considerable, though not necessarily visible in the immediate sense. Rural-urban migration and subsequent impact on labour markets etc. is one such "backwash effect" generated by polarised growth and spatial - structural inequality of opportunity. These have yet to be monitored.

(ii) The problems of rural communities is another element of this interrelated set of issues. These are two fold: firstly those smaller rural service centres suffering decline in employment and population, and concomitant restructuring in the urban system - a process initiated by interrelated Agricultural rationalisation and the associated symptoms of decline e.g. falling provision of public services of transport, health, education etc. Gaskin's policy of "holding and consolidation" has under the aegis of economic efficiency, been adopted by Aberdeen County Education Committee, whose policy it is now to close all small primary schools with declining rolls, below certain threshold levels. This policy has been severely criticised locally, particularly critical in view of the ramifications for the well-being of the rural community. Here surely is the case for both co-ordinated decision-making between all Local Authority Departments, over objectives and policy. While planning for decline is politically unpopular, it could perhaps operate partially on a more effective though less explicit level and thus achieve the same ends through more satisfactory means. Whether economic efficiency is a valid basis for decision making over the rural problem, is perhaps to be decided both by the political and technical spheres; certainly it cannot be ignored as it is at present.

Secondly the small rural burghs, particularly those within commuting distance of Aberdeen, have been seen by certain local planning authorities as a means of catering for rising incoming population and demand for residential land in the Aberdeen Sub Region:

3 questions arise: (a) the decision to expand numerous small settlements rather than an alternative course of larger development elsewhere has not been considered. It seems to have been an "a priori" assumption, which has not been reviewed:

(b) the scale of expansion has generally been constrained by thresholds of water supply and sewage capacity. Obviously the allocation of scarce financial resources and particularly the time scale of budgeting arrangements etc. may create a conflict between demands of planning authorities. It may be questioned whether either such organisational, or phasing problems should arise or whether such importance should be placed on them by local authorities.

Certainly greater awareness of the likely social and economic impact should be made, particularly in view of the likely conflict between traditional and commuter-based communities which have been thrown face to face.

(iii) The present upsurge of interest in environmental matters, is something which local authorities may readily become aware of, even more so when approached directly, the Grimond gas terminal being a case in point. Obviously the coast will be under severest pressure, both for industrial, ports development and for recreation facilities. More extensive rural areas will similarly be under localised pressure for development e.g. mineral (gravel) workings in the Don Valley; proposals for metal mining in the Huntly area etc. Provision therefore must be made in a positive sense, with a rural and coastal conservation policy for both economic resource development and for recreation facilities (e.g. Country Parks, beaches), to safeguard the rural environment. Given the limited time scale, of certain developments, suggestions for an "environmental sinking fund" by Aberdeen County Planning Officers, may be one such safeguard for control.

One added issue which is manifest in the physical sense, is that of increased urbanisation. The case of spreading ribbon development of the worst kind in the Aberdeen suburban area, especially the Dee Valley, is as much a reflection of uncoordinated activity, and ineptitude or lack of control by the three local authorities supervising this area. The City has rigidly maintained

its enclosing Green Belt with very limited extensions into it (e.g. Altens), though Aberdeen County has had difficulty in certain areas of controlling residential development within the "safe-guarded zone". The reorganisation of local government boundaries, with the formation of the expanded Aberdeen District, while helping to solve some of the problems of severe land shortage could on the other hand, in the "first flush" of expansion given inadequate control of development create continued concern with development within the confines of the new boundaries (which some would suggest are still too narrowly defined). The need to reassess strategy for urban development, the role of green belts, provision for urban recreation, with the overall aim of minimising over urbanisation and sprawl in the hinterland of Aberdeen, is immediate.

Policy and coordination conflicts combine when considering various alternative planning solutions to the limitations for growth in this area. The Select Committee on Scottish Affairs (1972) recommended that a proposal for a new town in the North East should be examined, though Government sanction of this would be required. In evidence to the Committee, Scottish Office officials rejected this outright, foreseeing the non-viability of further smaller growth points outwith the Ayrshire-Tayside nexus. Suggestions, as yet unsanctioned by N.E.S.J.P.A.C., for a joint town Development Scheme between Aberdeen City and Banffshire, have been recently mentioned (9/2/73), the function being to provide for "overspilling" industry and residential development from Aberdeen, thus relieving pressures in the City. The dangers are that the Select Committee's proposals may serve to legitimate the demand for a new town. In planning terms, a new town cannot be justified; but the suggestion can perhaps be validated in the political sense. Banffshire's scheme was motivated by its overt wish to rid the area of its "forgotten county" image. Similarly a new town, being approved and part financed by Central Government, would obviate local authorities from the need to co-ordinate development and decision-making, something which has proved problematic in the N.E. case. Perhaps in these terms alone, given the present rapid growth impetus, a new town may be seen by local authorities as a panacea for all problems. This case but reflects the inadequacies of local government decision and policy making at present.

Some overall concern should therefore be made for the qualitative element of the total economic, social and physical

environment as it is developing in N.E.Scotland. The danger is that under the present conditions of rapid activity, certain more objective analyses and treatment of planning problems may be overridden by expediencies of time, finance and politics. The N.E. cannot, if it is to benefit fully from oil yet with the minimum of harmful side effects, ignore the very roots of the problems it is having to face.

Oil in the North Sea has introduced an element of considerable potential change in Britain - to the economy, society and environment. Statements like Aberdeen's description as the "Houston of Europe" and "Offshore Capital of Europe" reflect more the optimism felt for the "oil boom" than perhaps actually exists in reality. Discussion has been couched in terms of impact on more politically significant areas e.g. employment, economic growth, balance of payments, land prices etc., but frequently there has been only limited awareness of either the scale or nature of such impacts. The Government's effective lack of concern for landward area development, as opposed to the speed and facilitation of arrangements in the offshore zone is perhaps a reflection of this limited and very slow perception of the real and potential impact of events. Since control of considerable development, and important decision areas concerning oil, lie with Whitehall, local authorities or even the Scottish Office, are frequently powerless in certain directions e.g. overall level of economic growth, industrial generation etc. At the local level though, given the particular demands of the oil industry, which are of varying flexibility, certain partial control and influence can be achieved over the very scale and distribution of development. It is here that the operation of the planning process has proved most critical.

The situation in North East Scotland therefore is one of change: planning is no longer operating in an atmosphere of population decline and static or slow growth as forecast by Gaskin (1969). Developments over the past 2 - 3 years have been rapid, being supported by the Government's policy for offshore licensing measures. While some of the demands have been totally foreign to the Region e.g. specialist oil rig supply services, others merely overlap and escalate those which were already beginning to be being felt in the early 1970's, exclusive of oil (e.g. housing, industrial sites). Thus oil through the scale of demand, has reinforced indirectly rather than directly, certain developing problems within the planning process. Clearly the successful operation of the planning system is a function of individuals making policy and decisions at local and central levels of government. This is not to imply, particularly at the local level, that issues raised and dealt with are necessarily unique; they apply to the variety of

situations which the oil phase has affected throughout Scotland.

What then are the common problem areas within the planning process which oil developments have served to pinpoint as being critical both to the rate, scale of "spin-off" and benefits to the economy of Scotland and to the success or otherwise of overall operation of planning? From an examination of these, some positive suggestions may be made for the future.

(i) TIMING OF EVENTS: It is the speed of events which has marked oil development; while offshore developments have been proceeding for ten years, with a marked acceleration post 1969 following the discovery of oil in commercial quantities, corresponding demand in landward areas has escalated considerably over the past two years. To oil companies and related industries, time is of essence. Yet they are faced with the constraints of the statutory planning procedure e.g. for rezoning land, acquisition of land or property, amendments to the Development Plan etc. The time lag between company plans and effective action therefore is frequently attenuated, though perhaps in some cases this process of control may be a useful safeguard.

Local planning authorities are now faced with outdated Development Plans and policies; while attempts were made in the early 1970's in immediate pre-oil phase to accommodate increasing development especially in the Aberdeen Sub Region. This slight improvement in for example available zoned and serviced industrial land, coincided with the peak demand period of the "oil boom." Thus conditions of severe restraint were once again imposed by physical restrictions of water and drainage, and general land availability so characteristic of the 1960's. John Kerr's comment in "The Guardian" (13/12/72) appraising the Scottish oil scene, while to some extent facetious is applicable to the N.E. situation:

"Scotland, by and large, has been caught with its trousers down - or in the Highlands, with its kilt in disarray - over the sudden rush this year of oil development in the North Sea. It is only within the past few months that there has been almost frenzied activity to cover up and patch over vulnerable areas innocently exposed to the winds of change."

Neither could oil developments have come at a more inopportune time with respect to local government operations. With Local Government Reform only two years away, the increasing uncertainty which this transitional period is bringing, can only serve but to impose

further confusion and constraints on the operation of the planning process.

(ii) FORECASTING AND INFORMATION : Some of the very problems induced by oil have been in part due to inadequate information and forecasting abilities of either oil companies, or Central and Local Government bodies. Oil companies are frequently uncertain or more likely unwilling to divulge the scale of resources and potential of fields, which has been manifested at the local level as Gaskin (1973) observes:

"The problems of E. Scotland are those of predicting in local detail the distribution and time pattern of this more or less automatic expansion."

While broad locational patterns are beginning to emerge e.g. Moray Firth construction phase, N.E. Scotland's administrative and service functions, Edinburgh, the financial centre etc, and some cognisance of the time scale is becoming clearer, doubts still exist. Particularly when initiative for development frequently lies outwith local authority control, decision taking and forward planning, if any, is made even more problematic. The short term benefits of employment are frequently too difficult to ignore; the dangers of longer term costs particularly in the environmental sense are beginning to be realised in the case of the N.E. e.g. at Crimond.

But local authorities themselves rather than oil companies or Central Government, are frequently to blame since there has been inherent inflexibility in plans and limited forward thinking in the past. Clearly constraints of financial or other resources and decisions external to the planning department are frequently limiting on development, but this does not excuse lack of real awareness of the scale of oil developments which have to be planned for. Aberdeen City's perception of events in the face of the reality of rapid escalation of offshore activity appears to have been very limited as revealed in a Report by Director of Planning on the "Sheddocksley Extension Area" (March 1971):

"The development of 300 acres will satisfy the housing requirements while providing an essential surplus to be set against any circumstances, such as the introduction of new industries or an important oil strike, which might arise but which at present cannot be foreseen."

Only once the impact of oil became a reality within the City in terms

of severe pressure for industrial land, did the local authority begin to use it as a legitimating factor in planning proposals. The Altens public enquiry for rezoning land for industry is a case in point, where pressures from oil firms in addition to Gaskin's earlier forecasts for regional job requirements in the order of 8000 by 1976, provided the City with a strong case against which refusal by the Secretary of State would have appeared unlikely.¹

Yet could local authorities have been otherwise better equipped to face such developments? It would appear unlikely: the negative outlook of the Development Plan system, both inherent and as operated by local planning authorities, with limited forward policy or strategy elements is reinforced by the lack of general directives from Central Government, a source one would have expected to have been more positive and aware of requirements. In fact this has not been so. Central Government have been both complacent over landward development, with decisions being made after the event. Lack of information in advance of the scale, nature and time scale of events has been limiting clearly, but since North Sea exploration has been operational for approximately 10 years, perhaps the strong criticisms directed at the Government are justified.

The timing vis a vis the introduction of the new development plan system poses an interesting question: would for example a structure plan and the necessary planning machinery had it been in existence have been more successful in coping with oil developments? Mr. G. Pease, County Planning Officer for Ross and Cromarty, commenting in the 'Surveyor' (26/1/73) refuted the suggestion that a regional structure plan would have helped in his case because "the nature of the oil beast has proved so unclear." But he does agree that a regional framework may have facilitated a consideration of the Moray Firth as an entity. An outdated Development Plan though may be better than no plan at all, a situation certain local authorities e.g. Shetlands, are being faced with. The danger is that any change generated tends to be on the basis of old plans, rather than a radical reorientation of thinking with the adoption of totally new strategies. Thus old procedures and plans tend to become self-justificatory, and modifications are minimal subject to overall constraints of the

1. Secretary of State's decision to approve rezoning of 100 acres at Altens for industry made April 1973.

physical and political environment.

(iii) CO-ORDINATION AND EFFECTIVENESS: At all levels the lack or more precisely the effectiveness of co-ordination between various authorities, development agencies, committees and individuals, has been one of the most critical factors within the planning process which has frequently influenced the rate or reality of development, Within the Region, co-ordination between local authorities has been minimal, with N.E.S.J.P.A.C. until recently proving rather ineffective in its operation. Local planning bodies have been too overtly concerned with satisfying their own interests, with 'ad hoc' decisions made frequently contravening or undermining any regional strategy (e.g. Wasthills; Banff Town Development Scheme). N.E.S.D.A. has perhaps proved more successful, merely due to its subject area rather than to its operation, since it still faces problems of policy and decision making under the overall constraint of political expediency. The Rural Development Programme with decisions on a locational strategy for advance factory sites, is a case in point.

Such action has undermined the process and time scale of preparing a Regional Plan, the need for which has subsequently proved vital. If a more adequate co-ordinating basis had been in existence previously, neither would certain planning problems which existed pre-oil have proved so limiting, nor would planning of oil developments themselves have been constrained by delays generated unnecessarily through failures in this sphere.

One of the major criticisms made by the Public Accounts Committee of Central Government's handling of oil developments, was that of lack of co-ordination between or within various Departments involved, either between D.T.I., Treasury, D.O.E. etc. While various new Committees and bodies have been set up in Scotland as shown in Chapter 3, the effectiveness of these may be questioned since division of responsibility between Scottish Office and D.T.I. in London remains, with the balance of decision making power lying within Whitehall. Gavin McCrone like the political heads feels that the existing machinery to co-ordinate oil affairs in the form of the Scottish Economic Planning Board, is sufficient, and rejects the idea of an Oil Development Corporation for Scotland (John Kerr, 'Guardian', 15/12/72). Derek Lyddon (Chief Planning Officer, S.D.D.) similarly at the Inaugural Meeting of the Standing Conference, indicated that over oil operations: "the situation should be kept

under continuous review, and that a two-way flow of information between planning authorities, regional agencies and Central Government would be necessary." (SCN S.O. 1972, para. 30). Information flow and co-ordination are clearly vital but as the Select Committee on Scottish Affairs (1972) pointed out, a Standing Conference meeting biannually is inadequate. Local Authorities need far more effective powers and machinery for action or at least need to operate considerably more effectively than they have. Government policy to relinquish much of decision making in planning to local authorities themselves, retaining merely an 'overlord' role, while on the one hand valid in terms of public intervention, on the other hand brings out the weaknesses of the split of responsibilities within the planning system.

Local planning authorities are inadequately equipped to handle developments which have such considerable implications both in socio-economic and physical spheres at local and national levels. As the Select Committee concluded: "the relationship between land allocation policies and practice and economic development is unsatisfactory." (para. 73). The implications therefore are both for co-ordination of physical and economic planning both at new Regional Authority level, and at central level where the balance still lies disproportionately with the economic sphere. As P. Self (1967) has stated: "Planning does tend to mean a process of successive approximations and adjustments going on within the administrative machine under the buffeting of short term pressures and forces coming from without. If it is to be lifted up, this requires a major effort both at the popular political level, and also within the structure of the administrative system." In spite of reforms, this does not appear to have happened.

(iv) RESOURCES AND STAFF: The suggested need for more effective operation and system of local government through perhaps greater devolution of decision-making, overlaps with the question of financial resources. At present, decisions by local authorities are frequently constrained either in magnitude or time scale by exigencies of finance. Many of the present demands on the N.E. are for immediate major capital works programmes requiring Government sanction or financial inputs. Frequently important decisions on phasing of development are made on the limitations of finance e.g. water or sewerage provisions, acquisition of land,

property etc., rather than on more rational planning factors. Clearly a better cost-benefit approach to all local authority policy and decision making is necessitated something a new management system may eventually institute. But this would be more effective given more adequate financial control at the local level, something implicit in true Regional Government. The feeling of a need for greater powers for industrial development, especially over acquisition of land, site development, through a Regional Industrial Development Agency, as suggested by Crowther (1963), rather than merely through the presently limited promotional - attraction role of authorities, has constantly been expressed. The implications for devolution of responsibility from D.T.I. though are clear, and major powers are unlikely to be relinquished readily.

Another major limitation on planning activity has been that of staff resources - both numbers and skills. Local Authorities have a universal problem of under-establishment levels of staff, particularly problematic for certain planning authorities e.g. Aberdeen County, where the number and timing of demands together with these operational ones of Committee time-tabling etc, have severely constrained time allocation to certain activities and decisions. Local planning authority staffs are not necessarily being faced with totally new areas of activity but the scale, implications and rate of developments requires far greater awareness, new approaches or even new skills. In the N.E. very few local authorities have adequate staff resources either in terms of quantity or quality. It is not surprising therefore that they are facing considerable dilemmas at present.

Could the relatively negative results of the impact of oil on the planning process have been any different given these various constraints? The predictability of certain developments, problems and decisions were clear. In order to avoid being overly destructive perhaps some suggestions can therefore be made for the future operation of planning within N.E. Scotland and within Britain:

- (a) The need for an explicit forward thinking policy statements and strategy both at the national and local levels. This should be in the form of a national and physical and economic plan or strategy.
- (b) Such planning should be flexible enough to cope with major reorientation of events or policy, and thus be effectively short and long term in nature. At the local level, zoning allocations

and procedures should be shorter term, and adaptive to changing demands. Budgeting arrangements need to be more flexible also.

(c) Certain decisions e.g. for rezoning and amendments to Development Plans need both to be speeded up, and also be part of a more positive policy arrangement, ~~then~~ their presently negative aspects.

(d) The need is for far greater utilisation of existing powers of development control, to safeguard the local environment. Suggestions for an "environmental sinking fund" by which compensation arrangements for ephemeral developments can be made, should be considered integral with the operation of these controlling powers.

(e) While the Government feel that the present administration structure isadequate to cope with the oil phase, the present machinery cannot be regarded as satisfactory. The need is for a more effective coordinating body (e.g. oil forum, or oil development corporation) at the national level, with considerable powers to generate and direct development, and override other Departments. Similarly at the regional level, agencies tied to such a national body, should more specifically be able to promote and control developments.

(f) To operationalise such a system a radical change is required in the attitudes and approach within all levels of Government. Time lags in such processes are always considerable, but as Schon (1971, p.30) stated:

"We must become able not only to transform our institutions, in response to changing situations and requirements; we must invent and develop institutions which are 'learning systems,' that is, systems capable of bringing about their own continuing transformation."

Without the introduction of some of these measures, or at least radically improved operation of planning in NE. Scotland, which will require far greater mobilisation of existing and new resources, certain benefits from the oil phase will be lost or they may be gained at the expense of the local Social, economic or physical environment. This is something the North East cannot afford.

APPENDIX I : POPULATION FIGURES FOR NORTH EAST SCOTLAND

	1931	1951	% change 1951-51	1961	% change 1951-61	1971	% change 1961-71
Aberdeen County	143611	144746	+0.7	136393	-5.7	137725	+0.9
Aberdeen City	169910	182783	+7.6	185390	+1.4	181995*	-1.8
Banff County	54907	50148	-8.7	46400	-7.5	43385	-6.5
Kincardine County		27655		253374	-8.2	25995	+2.4
Moray County	40806	48218	+18.2	49516	+1.9	51405	+3.9
Nairn County	8294	8719	+5.2	8421	-3.4	11030	+30.1
North East Planning Region		462496		451638	-2.3	451535	-0.2

* Aberdeen City Extension Areas included (1970).

Note: Figures are of enumerated populations.

Source: CENSUS SCOTLAND 1961 and 1971. H.M.S.O.

APPENDIX II : SUPPLY OF INDUSTRIAL SITES

	Zoned, serviced and immediately available		Not yet zoned and/or serviced; available during 1973-74		Available from 1975 onwards	
	ownership		ownership		ownership	
	public	private	public	private	public	private
Aberdeen City District	20	19	126	78	439	-
Kincardine and Deeside District	8	19	23	50	-	-
Gordon District	3	-	40	76	-	95
Banff and Buchan District	38	-	55	56	350	22
Moray District	18	260	54	67	3	91
TOTAL GRAMPIAN REGION	87	298	298	327	792	208
Remainder of North East Region	9	-	-	23	-	-
TOTAL NORTH EAST REGION	96	298	298	350	792	208

Note: 'public' ownership includes all Local Authority and Central Government (ie. Department of Trade and Industry, Crown Estates Commissioners) sites, including those for which negotiations are in progress or where sites are still partly in private ownership;

: 'private' ownership includes British Rail and all other private sites together with sites received for expansion or other purposes.

(Source : Progress Paper by Regional Planning Adviser to N.E.S.J.P.A.C. 17th January, 1973, "Situation Report on Industry".)

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